

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

In Re: Receivership of
United Property & Casualty Insurance Company

Case No.: 2023 CA 000320

**THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES, DIVISION OF
REHABILITATION AND LIQUIDATION AS RECEIVER OF UNITED
PROPERTY & CASUALTY INSURANCE COMPANY'S THIRD
APPLICATION FOR ORDER AUTHORIZING EARLY ACCESS
DISBURSEMENTS TO ELIGIBLE GUARANTY ASSOCIATIONS**

COMES NOW, the Florida Department of Financial Services, Division of Rehabilitation and Liquidation as Receiver of United Property & Casualty Insurance Company ("Department"), by and through the undersigned counsel, and files this Third Application for an Order Authorizing the Department to disburse early access funds in the total amount of FIFTY MILLION, FIVE HUNDRED THIRTY THOUSAND, SIX HUNDRED SIXTEEN DOLLARS AND NO CENTS (\$50,530,616.00) to certain eligible guaranty associations (each a "GA" and collectively hereinafter the "GAs"). In support of this Third Application, the Department states:

1. United Property & Casualty Insurance Company ("UPCIC") is a Florida corporation that was authorized under the Florida Insurance Code to transact property and casualty insurance in the state of Florida.

2. On February 27, 2023, this Court entered an *Order appointing the Florida Department of Financial Services as the Receiver of United Property & Casualty Insurance Company for Purposes of Liquidation, Injunction, and Notice of Automatic Stay*.

3. Pursuant to section 631.021(1), Florida Statutes, this Court has jurisdiction over the UPCIC receivership and is authorized to enter all necessary and proper orders to carry out the purpose of Florida's Insurers Rehabilitation and Liquidation Act, which constitutes Part I of Chapter 631, F.S. ("the Act").

4. Section 631.397(1), F.S., provides in substance that the Department may apply for Court approval to disburse assets out of UPCIC's marshaled assets, as such assets become available, to each GA entitled to receive such funds, contingent upon each GA's agreement to return to the Department as receiver such previously disbursed funds as may be required to pay claims of secured creditors and claims having a higher priority than the claims of the GAs. See s. 631.397(2)(d).

5. In compliance with s. 631.397(2)(d), the Department and certain eligible GAs entered into Agreements which provide in substance that each GA shall return such early access disbursements as may be required to pay claims of secured creditors and claims falling within the priority scheme established by the Act. A copy of the executed Early Access Agreement between the Department and each potentially eligible GA is attached hereto and incorporated herein by reference as **Exhibit A**.¹ Further, each eligible GA will not be entitled to share in the funds ultimately distributed from the UPCIC receivership estate until such allocated distributions to which each GA is otherwise entitled exceed the previous disbursements ordered by this Court and

¹ Alabama Insurance Guaranty Association (no disbursement in this or the initial round); Connecticut Insurance Guaranty Association; Florida Insurance Guaranty Association ("FIGA"); Georgia Insurers Insolvency Pool; Hawaii Insurance Guaranty Association; Louisiana Insurance Guaranty Association; Massachusetts Insurers Insolvency Fund; New Jersey Property-Liability Insurance Guaranty Association; New York Property/Casualty Insurance Security Fund; North Carolina Insurance Guaranty Association; Rhode Island Property & Casualty Insurance Guaranty Association; South Carolina Property and Casualty Insurance Guaranty Association; and Texas Property and Casualty Insurance Guaranty Association ("TPCIGA").

the amount of early access disbursement prayed for in this Third Application.

6. As of September 30, 2025, the Department had distributed to the eligible GAs as early access funds TWO HUNDRED FIFTY MILLION, EIGHT HUNDRED TWENTY-SIX THOUSAND, EIGHT HUNDRED SIXTY DOLLARS AND NO CENTS (\$250,826,860.00) as follows: Connecticut Insurance Guaranty Association (\$630,736.00); FIGA (\$151,999,079.00); Georgia Insurers Insolvency Pool (\$478,839.00); Hawaii Insurance Guaranty Association (\$33,078.00); Louisiana Insurance Guaranty Association (\$54,358,781.00); Massachusetts Insurers Insolvency Fund (\$2,024,399.00); New Jersey Property-Liability Insurance Guaranty Association (\$2,646,295.00); New York Property/Casualty Insurance Security Fund (\$11,829,221.00); North Carolina Insurance Guaranty Association (\$5,100,780.00); Rhode Island Property & Casualty Insurance Guaranty Association (\$1,419,426.00); South Carolina Property and Casualty Insurance Guaranty Association (\$8,602,013.00); and TPCIGA (\$11,704,213.00). No other distribution has been made in the UPCIC estate to any other class of creditors identified in s. 631.271, F.S.

7. The Department represents that in accordance with s. 631.397(2)(a) there are sufficient assets in the UPCIC estate to permit the proposed early access disbursements, and to reserve amounts for the payment of (a) expenses of administration, (b) claims of secured creditors to the extent of the value of the security held, and (c) claims falling within certain classes of priorities established by the Act. A chart of GAs entitled to a disbursement from the UPCIC estate in this third round and the amount each is entitled to receive is attached hereto as **Exhibit B**, and a copy of the Department's unaudited Statement of Affairs for UPCIC as of 9/30/25 is attached hereto as **Exhibit C**.

8. The Department further represents that the proposed early access disbursements are consistent with the statutory objective that the Department make an equitable allocation of disbursements to each GA entitled thereto in conformity with s. 631.397(2)(c) in this third round of early access agreement disbursements.²

9. In accordance with s. 631.397(2)(b), the Department will seek additional authority to make subsequent disbursements of other assets should such become available in the UPCIC estate in an amount sufficient to allow further early access disbursements.

WHEREFORE, the Department respectfully requests this Court enter an Order that grants this Third Application and authorizes and directs the Department to disburse payment of early access funds totaling FIFTY MILLION, FIVE HUNDRED THIRTY THOUSAND, SIX HUNDRED SIXTEEN DOLLARS AND NO CENTS (\$50,530,616.00), to these eligible GAs in the following amounts: Connecticut Insurance Guaranty Association (\$73,182.00); FIGA (\$45,461,307.00); Louisiana Insurance Guaranty Association (\$3,788,661); Massachusetts Insurers Insolvency Fund (\$492,544.00); New York Property/Casualty Insurance Security Fund (\$116,148.00); and the Rhode Island Property & Casualty Insurance Guaranty Association (\$598,774.00).

² With respect to specific UPCIC Florida policyholder insurance claims, the Florida Hurricane Catastrophe Fund (“FHCF”) has remitted directly to FIGA the payment of \$214,701,529.10 through September 30, 2025. The Department has considered FIGA’s receipt of this payment from FHCF as additional claims reimbursements for purposes of enabling the Department to satisfy s. 631.397(2)(c) and equitably allocate early access agreement disbursements to each GA entitled thereto in this third round.

Respectfully submitted on this 31st day of March 2026.

/s/Timothy G. Schoenwalder

Timothy G. Schoenwalder

Chief Attorney

Florida Bar No. 0755930

Timothy.Schoenwalder@myfloridacfo.com

Florida Department of Financial Services

Division of Rehabilitation and Liquidation

323 John Knox Road, Suite 101

The Atrium

Tallahassee, FL 32303

850.413.4479 (tel.)

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on March 31, 2026, a complete and accurate copy of the foregoing document was filed with the Clerk of Courts using the Florida Courts e-filing portal and was served on all email addresses listed in the portal for service in this matter.

/s/Timothy G. Schoenwalder

Timothy G. Schoenwalder

Chief Attorney

Florida Bar No. 0755930

Timothy.Schoenwalder@myfloridacfo.com

EXHIBIT A

United Property and Casualty Insurance Company, In Liquidation
Early Access Agreement

This Early Access Agreement is entered into on this the 23rd day of Oct. 2023, between the Florida Department of Financial Services, as Receiver of United Property and Casualty Insurance Company ("Department"), and the undersigned Insurance Guaranty Association(s) ("Guaranty Association").

WHEREAS, United Property and Casualty Insurance Company ("UPCIC"), was a Florida domiciled corporation previously authorized to transact insurance business in the State of Florida and other states; and

WHEREAS, on February 27, 2023, the Second Judicial Circuit Court in and for Leon County, Florida, (the "Court") entered its **Consent Order of Liquidation, Injunction, and Notice of Automatic Stay** ("Liquidation Order"); and

WHEREAS, section 631.397(1), Florida Statutes, provides, in relevant part, that the Department may apply to this Court for authorization to "disburse assets out of such insurer's marshaled assets, as such assets become available, to each Guaranty Association entitled thereto" ("Early Access disbursement"); and

WHEREAS, the Department will from time to time determine, in its sole discretion, whether the UPCIC receivership estate has sufficient liquid assets available to make an Early Access disbursement to the Guaranty Association; and

WHEREAS, if the Department determines that the receivership estate has sufficient liquid funds available to make an Early Access disbursement, the Department may apply to the Court for an order permitting the Department to make an Early Access disbursement to the Guaranty Association pursuant to section 631.397, Florida Statutes, for the partial

payment of claims and/or administrative expenses; and

WHEREAS, the Guaranty Association may only receive such a disbursement if the total amount of the contemplated disbursement plus the total amount of all Early Access disbursements already received by the Guaranty Association is less than the Guaranty Association's incurred claims and administrative expenses; and

WHEREAS, the Department and the Guaranty Association acknowledge and agree that neither the Department's review of the Guaranty Association's documentation for purposes of Early Access disbursement(s) nor this Early Access Agreement constitute an evaluation of or recommendation on any claim which the Guaranty Association may be entitled to under section 631.271, Florida Statutes;

NOW THEREFORE, the Department and the Guaranty Association agree as follows:

1. The Guaranty Association will respond in good faith to requests from the Department for information, files, and documents. The Department will be permitted full access to the books, records, and files of the Guaranty Association pertaining to the handling and payment of covered claims and administrative expenses incurred by the Guaranty Association in fulfilling its obligations under its enabling statute.

2. Beginning with the quarter ending June 30, 2023, and on at least a quarterly basis thereafter until the conclusion of the receivership proceedings the Department shall produce a reasonably detailed and current statement of the Estate's financial condition. The statement will be in substantially the format published on the Department's website. The Department shall provide this information as soon as it is available following the close of each quarter.

3. The Guaranty Association will make reports to the Department no less

frequently than quarterly, through the Secure Uniform Data Standard (“UDS”) or in another form acceptable to the Department disclosing the status of the following items received, held or processed during the reporting period: current open claims count, open claims reserves, claim payments, salvage or subrogation recoveries, if any, and such other items as may be reasonably required by the Department. The reports shall be sent to the Department electronically via the UDS server housed by the National Conference of Insurance Guaranty Funds (“NCIGF”) or mailed to the Department at to the address listed in Paragraph 11 below, or such other location designated by the Department.

4. The Guaranty Association will utilize any payment received pursuant to this Agreement solely for the payment of covered claims, as defined by section 631.271, and Part II, Chapter 631, Florida Statutes, or the pertinent part of the relevant state statute applicable to the Guaranty Association, and for the payment of claims handling or administrative expenses, as defined by section 631.271(1)(a)(2), Florida Statutes, relating to the Receivership of **UPCIC**.

5. The Guaranty Association will not be penalized, by offset or otherwise, by the amount of any special deposit or any other statutory deposit or asset of the insolvent insurer held in that state unless the Guaranty Association has actually received such deposit or asset.

6. The Guaranty Association agrees to return to the Department within 60 days all or any portion of any Early Access disbursements acquired by the Guaranty Association pursuant to this Agreement, with any income earned thereon, if the Department determines, at any time, that such repayment is necessary to pay claims or expenses which the

Department determines to be of equal or superior priority. Should it be necessary for the Guaranty Association to make an assessment in order to return the relevant portion of the disbursement to the Department, the Guaranty Association shall have 90 days within which to return the disbursement. In the event the Guaranty Association is required to repay to the Department any Early Access disbursements, the Guaranty Association will pay the Department in cash or other liquid assets as may be acceptable to the Department.

7. Pursuant to section 631.271, Florida Statutes, the Guaranty Association understands and agrees that any disbursement made pursuant to this Agreement constitutes partial payment on any claim which the Guaranty Association may have in the UPCIC Receivership and that it will not share in any final distribution of assets from the UPCIC Receivership until claimants of an equal priority receive an equal pro rata distribution on their claims. Any and all interest that the Guaranty Association earns on funds so disbursed shall also be considered Early Access disbursements for purposes of this Agreement.

8. Prior to the final distribution of the assets of UPCIC, the Department will be given reasonable access to the financial accounts, records and procedures of the Guaranty Association with respect to the receipt of assets or the payment of covered claims. The Guaranty Association will, within 30 days after receipt of a written request from the Department, return to the Department any Early Access disbursements made pursuant to this Agreement which are more than the amount ultimately determined by the Department to be due the Guaranty Association as a final distribution of the assets of UPCIC. The Department and the Guaranty Association shall cooperate in planning the destruction or other final disposition of the information, files, and documents received by the Guaranty

Association from **UPCIC** or the Department.

9. The Guaranty Association's execution of this Agreement and acceptance of any amount distributed thereunder, shall be without prejudice to the Guaranty Association's rights with respect to final or other distributions from the estate of **UPCIC**.

10. This Early Access Agreement shall be construed in accordance with Florida law. Any legal action by either party to enforce or interpret this Agreement or the parties' obligations under this Agreement shall be commenced, litigated, and adjudicated in and by the Second Judicial Circuit Court, in and for Leon County, Florida. The Guaranty Association's submission to the aforementioned jurisdiction is strictly for the purposes of enforcement of this Agreement and not for any other purpose.

11. Any notice required to be given to the parties shall be given by regular United States mail, postage prepaid, addressed as follows:

Department: Lorrie Arterburn
Division Director
Florida Department of Financial Services,
Division of Rehabilitation and Liquidation
325 John Knox Rd,
Atrium Building, Suite 101
Tallahassee, Florida 32303

Guaranty Assoc.: See address identified in signature block below.

12. This Agreement merges all prior offers and agreements of every kind as related to Early Access and expresses the full and final intent of the parties and shall be effective only upon Court approval. This Agreement shall not be modified, except by an instrument in writing, executed by the authorized representatives of the parties, and subject to Court approval.

13. This Agreement supersedes all earlier Early Access agreements and will

apply to all future Early Access disbursements to the Guaranty Association. It will be attached to all future Early Access motions filed by the Department.

14. This Agreement may be executed in any number of counterparts, any or all of which may contain the signature of only one of the Parties, and all of which together shall be considered a single original document.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date indicated below:

[THIS SECTION INTENTIONALLY LEFT BLANK]

[SIGNATURES OF THE PARTIES ARE ON THE FOLLOWING
PAGES]

United Property and Casualty Insurance Company, in Liquidation
By and through Lorrie Arterburn, Division Director
Florida Department of Financial Services,
Division of Rehabilitation and Liquidation

By: Lorrie Arterburn

Printed Name: Lorrie Arterburn

Date: Oct. 23, 2023

Alabama Insurance Guaranty
Association

[Insert Name of Guaranty Association]

“Guaranty Association”

DocuSigned by:
Andrea Lentine
By: _____
8CFDEE0020CE438

Printed Name: Andrea Lentine

Title: Executive Director

Date: 10/9/2023

Address: 600 University Park Place

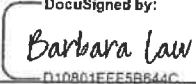
Suite 260

Birmingham AL 35209

RIPCIGA; CIGA (CT); MIIF

[Insert Name of Guaranty Association]

“Guaranty Association”

By:  _____
D10801EEF5B644C

Printed Name: Barbara Law

Title: Executive Secretary/Manager

Date: 10/23/2023

Address: One Bowdoin Sq, Boston, MA 02114

Barbara Law

Exec. Secretary/Manager

Florida Insurance Guaranty
Association, Inc.

[Insert Name of Guaranty Association]

“Guaranty Association”

DocuSigned by:
Corey Neal
By: C1BE06AC480544E

Printed Name: Corey Neal

Title: Executive Director

Date: 10/9/2023

Address: 1400 oven Park

Tallahassee

Florida 32308

Georgia Insurers Insolvency Pool

[Insert Name of Guaranty Association]

“Guaranty Association”

DocuSigned by:
By: Frank knighton
E8E1D1217DE84F5

Printed Name: Frank knighton

Title: Executive Director

Date: 10/11/2023

Address: 3700 Crestwood Parkway,

suite 400

Duluth, Georgia 30096

Hawaii Insurance Guaranty
Association

[Insert Name of Guaranty Association]

“Guaranty Association”

DocuSigned by:
Blake Obata
By: 72D90ACEBF634EE

Printed Name: Blake Obata

Title: Ex Dir

Date: 10/13/2023

Address: 1001 Bishop St #1160

Honolulu, Hawaii 96813

USA

Louisiana Insurance Guaranty
Association

[Insert Name of Guaranty Association]

“Guaranty Association”

DocuSigned by:
John wells
By: _____
FD0697E013291A5

Printed Name: John wells

Title: Executive Director

Date: 10/9/2023

Address: 2142 Quail Run Drive, Baton Rouge, LA 70808

,

,

NJPLIGA

[Insert Name of Guaranty Association]

“Guaranty Association”

DocuSigned by:
By: Joseph DellaFera
F001ECC104EDMAG...

Printed Name: Joseph DellaFera

Title: CEO

Date: 10/16/2023

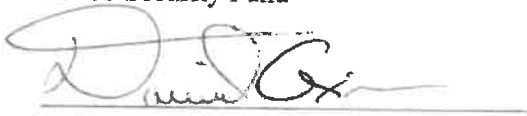
Address: 233 Mount Airy Rd

Second Floor

Basking Ridge, NJ 07920

New York Property/Casualty

Insurance Security Fund



By:

Special Deputy Superintendent

Printed Name: David Axinn

Title: Special Deputy Superintendent
& Agent of the Administrator

Date: October 20 2023

Address:

New York Liquidation Bureau
180 Maiden Lane, 15th Fl.
New York, NY 10038

SC Property & Casualty Insurance
Guaranty Association

[Insert Name of Guaranty Association]

“Guaranty Association”

DocuSigned by:
By: Smitty Harrison
11EE27D3D6248D

Printed Name: Smitty Harrison

Title: Executive Director

Date: 10/9/2023

Address: 240 Stoneridge Dr, Suite 101

Columbia, SC 29210

8037444319

Texas Property and Casualty
Guaranty Association

[Insert Name of Guaranty Association]

“Guaranty Association”

DocuSigned by:
By: Annette Evans
REC08BADEFCC935

Printed Name: Annette Evans

Title: Claims Director

Date: 10/9/2023

Address: 9120 Burnet Rd.

Austin, TX

75078

EXHIBIT B

Receiver's Proposed Early Access Agreement Distributions

UPCIC Receivership Estate

(March 2026)

State	State Guaranty Association	Proposed Distribution
Connecticut	Connecticut Insurance Guaranty Association	\$73,182.00
Florida	Florida Insurance Guaranty Association	\$45,461,307.00
Louisiana	Louisiana Insurance Guaranty Association	\$3,788,661.00
Massachusetts	Massachusetts Insurers Insolvency Fund	\$492,544.00
New York	New York Property/Casualty Insurance Security Fund	\$116,148.00
Rhode Island	Rhode Island Property & Casualty Insurance Guaranty Association	\$598,774.00

Total Proposed Disbursements in Round	\$50,530,616.00
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EXHIBIT C

**Florida Department of Financial Services, Division of Rehabilitation and
Liquidation
United Property & Casualty Ins Co in Liquidation
Statement of Affairs
9/30/2025**

	<u>Estimated Realizable Value</u>
ASSETS	
SPIA-Restricted	\$220,858.35
Pooled Cash in SPIA Due from the Admin Fund	106,742,589.00
Short-Term Investments	146,107.53
Short-Term Investments-Restricted	145,739.22
Accrued Interest Receivable	366,523.37
Reinsurance Recoverable	32,120,768.60
Accounts Receivable	34,973,325.71
Allowance - Accounts Receivables	(34,973,325.71)
Other Assets	4,579,625.88
Advance to Guaranty Associations	251,126,862.58
FI Hurricane Cat Fund Payments to Guaranty Assoc.	214,701,529.10
Total Assets	<u><u>\$610,150,603.63</u></u>
LIABILITIES	
Secured Claims	220,858.35
Class 1 Administrative Claims	
Class 1 - Guaranty Associations	146,193,128.52
Class 2 Loss Claims	
Class 2 - Guaranty Associations	821,164,916.76
Class 2 - Other	140,024.32
Class 3 Unearned Premium Claims under Non-assessable Policies	
Class 3 - Guaranty Associations	68,235,872.40
Class 3 - Other	614,404.19
Class 6 General Creditor Claims	
Class 6 - Other	92,813,965.62
Class 7 State & Local Government Claims	1,672,781.41
Class 8 Late Filed Claims	4,161,980.08
Class 9 Surplus Notes/Unearned Premium Claims under Assessable Policies	
Class 9 - Other	4,143,055.07
Total Liabilities	<u>\$1,139,360,986.72</u>
EQUITY	
Contributed Equity - State of Florida	617,230.47
Estate Equity	(529,827,613.56)
Excess (Deficiency) of Assets over Liabilities	(529,210,383.09)
Total Liabilities and Equity	<u><u>\$610,150,603.63</u></u>

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

**Florida Department of Financial Services, Division of Rehabilitation and
Liquidation**

**United Property & Casualty Ins Co in Liquidation
Statement of Cash Receipts and Disbursements
From the Date of Liquidation through 9/30/2025**

	Fiscal Year to Date	Since Date of Liquidation
CASH RECEIPTS		
Premium Collections	\$0.00	\$2,626,612.37
Reinsurance Recoveries	26,855,148.24	159,452,075.94
Agents' Balances Recoveries	0.00	186,079.00
Subrogation and Salvage Recoveries	79,721.14	2,209,478.74
Litigation Recoveries	0.00	498.00
Tax Recoveries	0.00	17,604,345.69
Other Collections / Recoveries	353,156.17	13,002,531.33
Mortgage Interest Income	0.00	314,002.90
Receipts Before Investment Activities	27,288,025.55	195,395,623.97
Interest and Dividend Receipts	1,288,920.14	17,190,907.22
Sale of Short Term Investment	130,775.61	38,646,182.93
Sale of Long Term Investment	0.00	9,219,165.39
Receipts From Investment Activities	1,419,695.75	65,056,255.54
Total Cash Receipts	28,707,721.30	260,451,879.51
CASH DISBURSEMENTS & DISTRIBUTIONS		
Professional Fees and Expenses	483,570.26	7,259,402.06
Salaries and Fringe Benefits	452,025.73	5,445,078.51
Employee Welfare	1,065.47	7,955.99
Travel Expenses	2,664.60	49,119.95
Admin Expenses	3,999.38	2,575,856.56
Equipment and Furniture Expenses	153,129.98	660,228.08
Rent, Building and Equipment	11,592.41	46,408.81
Taxes	373.34	3,931.33
Disbursements	1,108,421.17	16,047,981.29
Distributions		
Administrative Claims (Class 1)	0.00	0.00
Loss Claims (Class 2)	0.00	0.00
Unearned Premium-Non-Assessable Policies Claims (Class 3)	0.00	0.00
General Creditors Claims (Class 6)	0.00	0.00
Government Claims (Class 7)	0.00	0.00
Late Filed Claims (Class 8)	0.00	0.00
Surplus Notes/Unearned Premium-Assessable Policies Claims (Class 9)	0.00	0.00
Claims-Other	0.00	0.00
Early Access-Guaranty Associations	45,957,711.00	250,826,860.00
Total Distributed	45,957,711.00	250,826,860.00
Disbursements & Distributions Before Investment Activities	47,066,132.17	266,874,841.29
Financial Expenses	31,830.44	577,562.07
Purchase Short Term Investment	82,029.62	1,048,018.44
Disbursements for Investment Activities	113,860.06	1,625,580.51
Total Cash Disbursements & Distributions	47,179,992.23	268,500,421.80
Net Increase (Decrease) in Cash	(18,472,270.93)	(8,048,542.29)
Beginning Cash Balance:		
Beginning Cash	125,435,718.28	51,358,180.47
Adjustments to Beginning Cash	0.00	63,653,809.17
Adjusted Beginning Cash Balance	125,435,718.28	115,011,989.64

**Florida Department of Financial Services, Division of Rehabilitation and
Liquidation
United Property & Casualty Ins Co in Liquidation
Statement of Cash Receipts and Disbursements
From the Date of Liquidation through 9/30/2025**

	<u>Fiscal Year to Date</u>	<u>Since Date of Liquidation</u>
Ending Cash Balance	<u><u>106,963,447.35</u></u>	<u><u>106,963,447.35</u></u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
United Property & Casualty Insurance Company in Liquidation
Schedule of SPIA - Restricted
For the Three Months Ended September 30, 2025

SPIA - Other Reinsurance

Description	Account	Balance 7/1/25	Adjustments/Deposits	Interest	Trransfers/Distributions	Balance 9/30/25
ACIC & IIC	SPIA 42001100	218,591.57	0.00	2,267.08	0.00	220,858.65
	Total:	<u>218,591.57</u>	<u>0.00</u>	<u>2,267.08</u>	<u>0.00</u>	<u>220,858.65</u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
United Property & Casualty Insurance Company in Liquidation
Schedule of Short Term Investments
For the Three Months Ended September 30, 2025

Money Market Accounts

Description	Balance 7/1/25	Adjustments/ Fees	Interest or Dividends	Purchases/ Transfers	Balance 9/30/25
WCMA Cash @ ML	64,377.91	(300.00)	82,029.62	0.00	146,107.53
	64,377.91	(300.00)	0.00	0.00	146,107.53

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
United Property & Casualty Insurance Company in Liquidation
Schedule of Short Term Investments Restricted
For the Three Months Ended September 30, 2025

Short Term Investments Restricted

Description	Balance 7/1/25	Adjustments/ Fees	Interest or Dividends	Withdrawals or Transfers	Balance 9/30/25
Field Pro Trusts	145,739.22	0.00	0.00	0.00	145,739.22
	<u>145,739.22</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>145,739.22</u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
United Property & Casualty Insurance Company in Liquidation
Schedule of Accrued Interest Receivable
For the Three Months Ended September 30, 2025

Accrued Interest Receivable

Description		Balance 7/1/25	Accrued	Received	Balance 9/30/25
State Treasury	SPIA, 4-20-0-010000-00000	429,895.22	1,086,420.88	(1,149,792.73)	366,523.37
Totals:		429,895.22	1,086,420.88	(1,149,792.73)	366,523.37

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation
 United Property & Casualty Ins Co in Liquidation
 Schedule of Reinsurance Recoverables - Net of Allowance
 For the Three Months Ended September 30, 2025**

Reinsurance Recoverables

Recovery Agent	Balance 7/1/25	Billed	Recovered	Adjustments	Balance 9/30/25
Receiver	32,120,768.60	26,855,731.24	(26,855,731.24)	0.00	32,120,768.60
Total	<u>32,120,768.60</u>	<u>26,855,731.24</u>	<u>(26,855,731.24)</u>	<u>0.00</u>	<u>32,120,768.60</u>

Allowance Reinsurance

Recovery Agent	Balance 7/1/25	Increases	Decreases	Balance 9/30/2025
Receiver	0.00	0.00	0.00	0.00
Total	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

Reinsurance Recoverables - Net of Allowance

32,120,768.60

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
United Property & Casualty Insurance Company in Liquidation
Schedule of Accounts Receivable
For the Three Months Ended September 30, 2025

Other Collections - Recovery/Receivable

Description	Balance 7/1/25	Adjustments	Payments Received	Balance 9/30/25
Premium tax	3,955,557.43	0.00	0.00	3,955,557.43
Other Securities - Clearwater Analytics	18,971.90	0.00	0.00	18,971.90
Federal Income Tax Receivable	30,998,796.38	0.00	0.00	30,998,796.38
Totals:	34,973,325.71	0.00	0.00	34,973,325.71

Allowance - Other Receivables

Description	Balance 7/1/25	Adjustments	Payments Received	Balance 9/30/25
FITRR Allowance	(30,998,796.38)	0.00	0.00	(30,998,796.38)
Premium Tax Allowance	(3,955,557.43)	0.00	0.00	(3,955,557.43)
Other Securities Allowance	(18,971.90)	0.00	0.00	(18,971.90)
Totals:	(34,973,325.71)	0.00	0.00	(34,973,325.71)

Total Accounts Receivable - Net of Allowances

0.00

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
United Property & Casualty Insurance Company in Liquidation
Schedule of Other Assets
For the Three Months Ended September 30, 2025

Statutory Deposits

Description	Balance 7/1/25	Adjustments	Recovered	Balance 9/30/25
Louisiana: Regions Bank	100,000.00	0.00	(100,000.00)	0.00
South Carolina: Regions Bank	969,840.00	0.00	0.00	969,840.00
Virginia: Principal	289,089.00	0.00	0.00	289,089.00
Massachusetts	100,000.00	0.00	0.00	100,000.00
Totals:	1,458,929.00	0.00	(100,000.00)	1,358,929.00

Other Investments

Description	Balance 7/1/25	Adjustments	Recovered	Balance 9/30/25
Kayne Senior Credit Fund II LP	106,063.00	(5,390.00)	0.00	100,673.00
Kayne Senior Credit Fund III LP	765,303.00	(39,618.00)	0.00	725,685.00
Blackstone Alternatives Solution 2015 Trust (Held at ML)	357,451.98	(25,858.16)	0.00	331,593.82
GSO Rescue Finance Fund (Held at ML)	309,039.78	(60,602.85)	0.00	248,436.93
DCR Mortgage Partners X LP	1,869,614.00	42,702.61	(130,775.61)	1,781,541.00
DCR Mortgage Partners X- Non collateral Loan	32,767.13	0.00	0.00	32,767.13
Totals:	3,440,238.89	(88,766.40)	(130,775.61)	3,220,696.88

Total Other Assets:

4,579,625.88

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation
United Property & Casualty Insurance Company in Liquidation
Schedule of Advance to Guaranty Association
For the Three Months Ended September 30, 2025**

Advance to Guaranty Associations

Description	Balance 7/1/25	Advanced	Recovered	Balance 9/30/25
Florida (FIGA)	106,041,368.00	45,957,711.00	0.00	151,999,079.00
Connecticut (CIGA)	630,736.00	0.00	0.00	630,736.00
Georgia (GIIP)	478,839.00	0.00	0.00	478,839.00
Hawaii (HIGA)	33,078.00	0.00	0.00	33,078.00
Louisiana (LAIGA)	54,358,781.00	0.00	0.00	54,358,781.00
Massachusetts (MIIF)	2,024,399.00	0.00	0.00	2,024,399.00
New Jersey (NJPLIGA)	2,646,295.00	0.00	0.00	2,646,295.00
New York (NYPCF)	11,829,221.00	0.00	0.00	11,829,221.00
North Carolina (NCIGA) (1)	5,400,782.58	0.00	0.00	5,400,782.58
Rhode Island (RIIGA)	1,419,426.00	0.00	0.00	1,419,426.00
South Carolina (SCPCIGA)	8,602,013.00	0.00	0.00	8,602,013.00
Texas (TPCIGA)	11,704,213.00	0.00	0.00	11,704,213.00
Totals:	205,169,151.58	45,957,711.00	0.00	251,126,862.58

(1) The North Carolina statutory deposit of \$300,002.58 was released to the North Carolina Guaranty Association on 3/31/2023 and reclassified on the Receiver's financial statement as early access.

Florida Hurricane Catastrophe Fund Payments to Guaranty Associations

Description	Balance 7/1/25	Advanced	Recovered	Balance 9/30/25
Florida Hurricane Catastrophe Fund	214,701,529.10	0.00	0.00	214,701,529.10
Totals:	214,701,529.10	0.00	0.00	214,701,529.10

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
United Property & Casualty Insurance Company in Liquidation
Schedule of Secured Claims
For the Three Months Ended September 30, 2025

Secured Claims - Other

Description	Balance 7/1/25	Adjustments/Deposits	Interest	Transfers/Distributions	Balance 9/30/25
ACIC & IIC SPIA	218,591.27	0.00	2,267.08	0.00	220,858.35
Total:	<u>218,591.27</u>	<u>0.00</u>	<u>2,267.08</u>	<u>0.00</u>	<u>220,858.35</u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation

United Property & Casualty Insurance in Liquidation Notes to Financial Statements

Dated September 30, 2025

- 1. Estate Information.** United Property & Casualty Insurance Company (UPCIC) was a property and casualty organization domiciled in Florida placed in liquidation on February 27, 2023.
- 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, 2025 through June 30, 2026. 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. Future developments in accounting, business, contract, legal, tax and other matters may result in subsequent updates to one or more categories of this insolvent insurer's assets and/or liabilities that differs from the calculations presented in these unaudited financial statements.
- 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. Special Purpose Investment Account (SPIA) – Restricted.** Represents funds wired to the Receiver by Gallagher Re pending reconciliation.
- 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 or brokerage institution in possession of the securities at the balance sheet date.
- 7. Reinsurance.** Reinsurance receivables have resulted from losses that have been paid and billed to the reinsurer(s). The financial statements reflect the estimated gross amount of the billed losses less an allowance for any receivable(s) where there is an uncertainty regarding collectability. 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 or the Receiver's staff.
- 8. Accounts Receivable.** These account receivables consist of Premium Tax Receivable, Federal Income Tax Receivable and Other Securities (due to investment activity in transit) receivable.
- 9. Allowance – Accounts Receivable.** An estimate of uncollectible amounts for certain assets.
- 10. Other Assets.** These assets consist of states' statutory deposits held at various financial institutions. The Schedule of Other Assets reflects the value of these deposits at September 30, 2025 or latest available, those that have been collected by the Receiver and those where the state has taken its deposit. These also consists of several investments held by UPCIC at the time of liquidation currently under review for liquidity.
- 11. 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 of these funds if the Receiver determines that repayment of claims of equal or superior priority is necessary.
- 12. Florida Hurricane Catastrophe Fund (FHCF) Advance to Guaranty Association (FIGA).** Represents funds advanced directly from FHCF to FIGA for the payment of covered claims and expenses pursuant to Chapter 215, Florida Statutes. The guaranty association is obligated to promptly return any or all of these funds if it is determined that an overpayment has been made.
- 13. Secured Claims.** This secured claim represents funds wired to the Receiver by a Reinsurer being held in a segregated account pending reconciliation.

Florida Department of Financial Services, Division of Rehabilitation and Liquidation

United Property & Casualty Insurance in Liquidation Notes to Financial Statements

Dated September 30, 2025

14. **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.
- Class 1, Class 2, and Class 3 claim liabilities are based on Guaranty Association payments, estimates, and Filed Proof of Claims forms.
 - All other classes are based on Filed Proof of Claims forms.
 - Filed Proof of Claims forms are currently being processed and all liabilities are subject to change.
15. **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.
16. **Federal Priority.** The federal government has taken the position that 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 also taken the position that it is not subject to state insurance liquidation claim's proceedings 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.
17. **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.
18. **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.