

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

In Re: The Receivership of  
Weston Property and Casualty Insurance Company,  
a Florida corporation.

CASE NO.: 2022-CA-001378

THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES, DIVISION OF  
REHABILITATION AND LIQUIDATION, RECEIVER FOR WESTON PROPERTY AND  
CASUALTY INSURANCE COMPANY'S 2022 THIRD QUARTER STATUS REPORT

The Florida Department of Financial Services, Division of Rehabilitation and Liquidation, as Receiver of Weston Property and Casualty Insurance Company, hereinafter the "Department" or "WPCIC," files this 2022 Third Quarter Status Report in accordance with Chapter 631, Part I, Florida Statutes, and states:

1. On August 8, 2022, this Court entered a *Consent Order Appointing the Florida Department of Financial Services as Receiver of Weston Property and Casualty Insurance Company for Purposes of Liquidation, Injunction, and Notice of Automatic Stay* (the "Liquidation Order"). The Court's order appointed the Department of Financial Services ("DFS") of the State of Florida as Receiver, and approved the engagement of CANTILO & BENNETT, L.L.P. as Special Deputy Receiver ("SDR"). Together, the Receiver and the SDR administer the company in receivership.

2. A true and correct copy of WPCIC's unaudited Statement of Affairs dated August 31, 2022, is attached as **Exhibit A**.

3. Apart from paying the costs of administration, since the commencement of this receivership no distributions have been made to any class of creditors as outlined in Fla. Stat. § 631.271(1)(b)-(k).

4. While not occurring during the time period of this report, the Department would report that since the commencement of this receivership (through November 16, 2022), the following claims have been transferred to the Florida Insurance Guaranty Association:

<b>Status</b>	<b>Count</b>
New (Loss)	133
Open (Loss)	78
Reopen (Loss)	143
New (Return Premium)	21,448
<b>Grand Total</b>	<b>21,802</b>

5. While not occurring during the time period of this report, the Department would report that since the commencement of this receivership (through November 16, 2022), the following claims to the Louisiana Insurance Guaranty Association:

<b>Status</b>	<b>Count</b>
New (Loss)	109
Open (Loss)	135
Reopen (Loss)	217
New (Return Premium)	9,929
<b>Grand Total</b>	<b>10,390</b>

6. While not occurring during the time period of this report, the Department would report that since the commencement of this receivership (through November 16, 2022), the following claims to the Texas Property and Casualty Insurance Guaranty Association:

<b>Status</b>	<b>Count</b>
New (Loss)	330
Open (Loss)	309
Reopen (Loss)	339
New (Return Premium)	27,581
<b>Grand Total</b>	<b>28,559</b>

7. While not occurring during this time period of this report, the Department would report that since the commencement of this receivership (through November 16, 2022), one

hundred seven (107) Return Premium claims have been transferred to the Mississippi Insurance Guaranty Association. As of this report, there are no Mississippi loss claims.

8. The claim filing deadline is **August 8, 2023**.

9. The Department continues its efforts to collect assets of WPCIC, such efforts include the collection of monies due to WPCIC. The SDR has not determined as of this time that WPCIC owned any real or material personal property.

10. The Department will continue to file quarterly reports with the Court as the unaudited financial statements are published for this estate.

**Respectfully submitted this 22<sup>nd</sup> day of November 2022.**

*/signed/*

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**Miriam O. Victorian,  
Chief Attorney**

Florida Bar No. 355471

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### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that she served all parties who have entered an appearance on the ECF system with a copy of this Pleading.

*/signed/*

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**Miriam O. Victorian**

Florida Department of Financial Services, Division of Rehabilitation and Liquidation  
Weston Property & Casualty Insurance Company in Liquidation  
Statement of Affairs  
8/31/2022

### ASSETS

Cash Company Operating	38,512,159.06
SPIA Restricted	-
Bonds	3,406,795.62
Short-Term Investments	1,210,085.99
Allowance Short Term Investments	-
Common Stocks	67.80
Investment Income Due & Accrued	38,446.78
Uncollected premiums and agents' balances in the course of collection	(7,031,608.15)
Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	4,284,921.09
Reinsurance Recoverable	76,740,661.62
Allowance for Reinsurance Recoverable	(72,652,374.04)
Net Deferred Tax Asset	30,551,383.39
Allowance for Net Deferred Tax Asset	(30,551,383.39)
Receivables from parent, subsidiaries and affiliates	2,268,398.06
Allowance for Receivables from parent, subsidiaries and affiliates	(2,268,398.06)
Total Assets	44,509,155.77

### LIABILITIES

Class 1 Administrative Claims	
Class 1 - Guaranty Associations	-
Class 2 Loss Claims	
Class 2 - Guaranty Associations	48,317,459.36
Class 2 - Other	-
Class 3 Unearned Premium Claims under Non-assessable Policies	
Class 3 - Guaranty Associations	16,884,619.65
Class 3 - Other	-
Class 6 General Creditor Claims	
Class 6 - Other	69,104,971.55
Class 8 Late Filed Claims	
Class 9 Surplus Notes/Unearned Premium Claims under Assessable Policies	
Class 9 - Other	-
Total Liabilities	134,307,050.56

### EQUITY

Contributed Equity - State of Florida	-
Estate Equity	(89,797,894.79)
Excess (Deficiency) of Assets over Liabilities	(89,797,894.79)
Total Liabilities & Equity	44,509,155.77

The accompanying notes are an integral part of these financial statements.

UNAUDITED

Exhibit A

Florida Department of Financial Services, Division of Rehabilitation and Liquidation  
Statement of Cash Receipts and Disbursements  
From the Date of Liquidation through 08/31/2022

	<u>Fiscal Year to Date</u>	<u>Since Date of Liquidation</u>
<b>CASH RECEIPTS</b>		
Premium Collections	\$ (578.00)	\$ (578.00)
Reinsurance Recoveries	\$ 1,036,803.82	\$ 1,036,803.82
Subrogation and Salvage Recoveries	\$ 837.00	\$ 837.00
Receipts Before Investment Activities	<u>\$ 1,037,062.82</u>	<u>\$ 1,037,062.82</u>
Interest and Dividends Receipts	<u>\$ 5,368.44</u>	<u>\$ 5,368.44</u>
Receipts from Investment Activities	<u>\$ 5,368.44</u>	<u>\$ 5,368.44</u>
<b>Total Cash Receipts</b>	<u><u>\$ 1,042,431.26</u></u>	<u><u>\$ 1,042,431.26</u></u>
<b>CASH DISBURSEMENTS &amp; DISTRIBUTIONS</b>		
Admin Expenses	\$ 58,989.88	\$ 58,989.88
Disbursements	<u>\$ 58,989.88</u>	<u>\$ 58,989.88</u>
Distributions	\$ -	\$ -
Total Distributed	<u>\$ -</u>	<u>\$ -</u>
Disbursements & Distributions Before Investment Activates	<u>\$ 58,989.88</u>	<u>\$ 58,989.88</u>
<b>Total Cash Disbursements &amp; Distributions</b>	<u><u>\$ 58,989.88</u></u>	<u><u>\$ 58,989.88</u></u>
<b>Net Increase (Decrease) in Cash</b>	<u><u>\$ 983,441.38</u></u>	<u><u>\$ 983,441.38</u></u>
<b>Beginning Cash Balance:</b>		
Beginning Cash	\$ 44,676,070.47	\$ 44,676,070.47
Adjustments to Beginning Cash	<u>\$ (2,530,471.18)</u>	<u>\$ (2,530,471.18)</u>
<b>Adjusted Beginning Cash Balance</b>	<u><u>\$ 42,145,599.29</u></u>	<u><u>\$ 42,145,599.29</u></u>
<b>Ending Cash Balance</b>	<u><u>\$ 43,129,040.67</u></u>	<u><u>\$ 43,129,040.67</u></u>

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

Florida Department of Financial Services, Division of Rehabilitation and Liquidation

Weston Property and Casualty Insurance Company

Notes to the Financial Statements

Dated August 31, 2022

1. **Receivership Estate Information.** Weston Property and Casualty Insurance Company (the “Company”) was a property and casualty organization domiciled in Florida and placed in Liquidation on August 8, 2022.
2. **Basis of Presentation.** The accompanying financial statements have been prepared on a statutory basis of accounting using a calendar year basis. The statements do not provide accruals for administrative expenses associated with the liquidation of the receivership estate as may be accrued in the future.
3. **Unaudited Financials.** The accompanying financial statements have not been audited by an independent certified public accountant and no opinion is expressed on their compliance with statutory insurance accounting principles.
4. **Uncollected Premiums and Agents’ Balances in the Course of Collection.** The amounts are included on the financial statements based on the Company’s data prior to liquidation with immaterial adjustments after liquidation occurred.
5. **Deferred Premiums, Agents’ Balances and Installments Booked but Deferred and Not Yet Due.** The amounts are included on the financial statements based on the Company’s data prior to liquidation.
6. **Reinsurance Recoverable and Allowance for Reinsurance Recoverable.** The Company’s pre-receivership reinsurance recoverable is included, which was based on pre-receivership data compiled by the Company. A material portion of the pre-receivership reinsurance was thereafter disallowed. After the disallowance of reinsurance amounts, the resulting net reinsurance recoverable on the financial statements is approximately \$4.1 million. The net reinsurance recoverable reflects that portion of the reinsurance applicable to additional losses which have not yet been reported under applicable reinsurance coverage. Further, the Special Deputy Receiver terminated the year 2022 reinsurance coverage, resulting in a claimed reinsurance recovery of approximately \$13,809,916 for pre-receivership reinsurance premium payments. The year 2022 reinsurance terminations also terminated the payment of any future reinsurance premium amounts, which were estimated to be approximately \$23,138,484. No accrual of reinsurance due or from has been included in these financial statements for year 2022 reinsurance terminations.

7. **Deferred Tax Assets (“DTAs”).** All DTAs have been disallowed as an asset on the financial statements based on the uncertainty of whether the Company will ever accrue taxable income or gains to recapture the benefit of such DTAs.
8. **Receivables from Parent, Subsidiaries, and Affiliates.** All amounts due from parent or affiliates have been disallowed due to the uncertainty of collection. The total shown on the Statement of Affairs is based on the available records of the Company and may be subject to revision. The Company’s books have not yet been reconciled with those of its affiliated entities, and the Receiver continues to evaluate these matters.
9. **Claim and Other Liabilities.** Unless otherwise noted, the Statement of Affairs contains estimated claim liabilities by priority class pursuant to section 631.271, Florida Statutes. Unless otherwise stated, the claim liabilities reported are gross filed and have only partially been reduced to final claim amounts. There have not been any early access payments made by the Florida Receiver to any state insurance guaranty associations. Claim liability numbers are based upon the most current available information and documentation provided to the Receiver from both internal and external sources, and these claim amounts are subject to further adjustment as claims are finalized during the receivership process, which may include the submission of further claims against the receivership estate.
10. **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, and the estimated deficiency is subject to further adjustment in the future as the liquidation of the Company continues.

**The accompanying notes above are an integral part of these financial statements and unaudited.**