

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
2024 FOURTH 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 2024 Fourth 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 December 31, 2024, 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. The claims filing deadline was **August 8, 2023**.

5. 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.

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

Respectfully submitted this 5th day of March 2025.

/signed/

Miriam Victorian, Chief Attorney

Florida Bar No. 355471

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Florida Department of Financial Services

Division of Rehabilitation and Liquidation

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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/

Miriam Victorian, Chief Attorney

Florida Bar No. 355471

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Weston Property & Casualty Insurance Company in Liquidation
Statement of Affairs
12/31/2024

ASSETS

Cash Company Operating	\$ 3,990,671.56
SPIA Restricted	72,737,684.61
Bonds	-
Short-Term Investments	1,626,882.32
Investment Income Due & Accrued	75,866.53
FHCF Advance to FIGA	4,429,457.86
Reinsurance Recoverable	19,804,788.76
Allowance for Reinsurance Recoverable	(13,408,157.65)
Net Deferred Tax Asset	46,244,380.43
Allowance for Net Deferred Tax Asset	(46,244,380.43)
Receivables from parent, subsidiaries and affiliates	3,725,580.53
Allowance for Receivables from parent, subsidiaries and affiliates	(3,725,580.53)
Miscellaneous Receivables	51,384.95
Allowance for Miscellaneous Receivable	(51,384.95)
Total Assets	<u>\$ 89,257,193.99</u>

LIABILITIES

Accrued Expenses	1,154,698.59
Class 1 Administrative Claims	
Class 1 - Guaranty Associations	10,452,902.68
Class 2 Loss Claims	
Class 2 - Guaranty Associations	42,273,933.75
Class 2 - Other	27,623,520.01
Class 3 Unearned Premium Claims	
under Non-assessable Policies	
Class 3 - Guaranty Associations	77,930,405.69
Class 3 - Other	380,868.74
Class 6 General Creditor Claims	
Class 6 - Other	2,691,052.55
Class 8 Late Filed Claims	
Class9 Surplus Notes/Unearned Premium Claims	
under Assessable Policies	
Class 9 - Other	-
Total Liabilities	<u>\$ 162,507,382.01</u>

EQUITY

Contributed Equity - State of Florida	-
Estate Equity	(73,250,188.02)
Excess (Deficiency) of Assets over Liabilities	(73,250,188.02)
Total Liabilities & Equity	<u>\$ 89,257,193.99</u>

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 12/31/2024

	Fiscal Year to Date	Since Date of Liquidation
CASH RECEIPTS		
Premium Collections	\$ 6,871.01	\$ 3,287,261.89
Reinsurance Recoveries	\$ 8,255,700.23	\$ 17,560,658.91
Subrogation and Salvage Recoveries	\$ 1,085.40	\$ 196,922.40
Litigation Recoveries (Settlement Income)	\$ 10,037,262.00	\$ 10,037,262.00
Tax Recoveries	\$ 16.76	\$ 305,640.12
Other Collections/Recoveries	\$ 259.90	\$ 8,749.35
Return Commission Recoveries	\$ 1,523,877.58	\$ 7,081,996.70
Receipts Before Investment Activities	\$ 19,825,072.88	\$ 38,478,491.37
Interest and Dividends Receipts	\$ 2,297,502.62	\$ 3,354,206.07
Gain/(Loss) Sale of Investments	\$ 96,387.32	\$ 143,026.17
Receipts from Investment Activities	\$ 2,393,889.94	\$ 3,497,232.24
Total Cash Receipts	<u>\$ 22,218,962.82</u>	<u>\$ 41,975,723.61</u>
CASH DISBURSEMENTS & DISTRIBUTIONS		
Admin Expenses	\$ 70,926.30	\$ 698,827.70
Bank Fees	\$ 38,978.73	\$ 103,633.81
Consulting Fees	\$ -	\$ 30,727.13
Dues, Fees and Subscriptions	\$ 150.00	\$ 611,241.51
Postage and Delivery	\$ 2.91	\$ 96,867.17
Commission Overpayment Refunds	\$ 27,896.45	\$ 55,901.85
Premium Overpayment Refunds	\$ (25,485.82)	\$ 271,933.78
Professional Fees and Expenses	\$ 4,075,280.90	\$ 6,805,118.96
Salaries and Contractor Fees	\$ 1,481,017.24	\$ 4,103,728.40
Telephones and Computer Services	\$ 1,313,183.05	\$ 3,069,938.17
Disbursements	\$ 6,981,949.76	\$ 15,847,918.48
Distributions	\$ -	\$ -
Total Distributed	\$ -	\$ -
Disbursements & Distributions Before Investment Activities	\$ 6,981,949.76	\$ 15,847,918.48
Total Cash Disbursements & Distributions	<u>\$ 6,981,949.76</u>	<u>\$ 15,847,918.48</u>
Net Increase (Decrease) in Cash	<u>\$ 15,237,013.06</u>	<u>\$ 26,127,805.13</u>
Beginning Cash Balance:		
Beginning Cash	\$ 56,430,963.54	\$ 44,676,070.47
Adjustments to Beginning Cash	6,687,261.89	\$ 7,551,362.89
Adjusted Beginning Cash Balance	<u>\$ 63,118,225.43</u>	<u>\$ 52,227,433.36</u>
Ending Cash Balance	<u>\$ 78,355,238.49</u>	<u>\$ 78,355,238.49</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 & Casualty Insurance Company in Liquidation
Schedule of SPIA - Restricted
12/31/2024

Description	Balance at 01/01/2024	Adjustments and Deposits	Interest	Transfers and Distributions	Balance at 12/31/2024
SPIA - Restricted	\$50,098,425.06	\$24,290,000.00	\$2,036,741.64	\$3,687,482.09	\$72,737,684.61
Total	50,098,425.06	24,290,000.00	2,036,741.64	3,687,482.09	72,737,684.61

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Weston Property & Casualty Insurance Company in Liquidation
Schedule of Short Term Investments
12/31/2024

Description	Balance at 01/01/2024	Adjustments and Deposits	Interest and Dividends	Transfers and Distributions	Balance at 12/31/2024
Texas Statutory Deposit	\$1,579,175.60	\$446,783.98	\$82,621.54	\$481,698.80	\$1,626,882.32
Total	1,579,175.60	446,783.98	82,621.54	481,698.80	1,626,882.32

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Weston Property & Casualty Insurance Company in Liquidation
Schedule of Investment Income Due and Accrued
12/31/2024

Description	Balance at 01/01/2024	Accrued	Received	Balance at 12/31/2024
Investement Income Due and Accrued	\$11,049.22	397,136.55	332,319.24	\$75,866.53
Total	11,049.22	397,136.55	332,319.24	75,866.53

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Weston Property & Casualty Insurance Company in Liquidation
Schedule of Florida Hurricane Catastrophe Fund Advance to FIGA
12/31/2024

Description	Balance at 01/01/2024	Advanced	Recovered	Balance at 12/31/2024
Florida Hurricane Catastrophe Fund Advance to FIGA	\$4,429,457.86	\$0.00	\$0.00	\$4,429,457.86
Total	4,429,457.86	-	-	4,429,457.86

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Weston Property & Casualty Insurance Company in Liquidation
Schedule of Reinsurance Recoverable - Net of Allowance
12/31/2024

Reinsurance Recoverable

Recovery Agent	Balance at 01/01/2024	Billed	Recovered	Adjustments	Balance at 12/31/2024
Receiver	\$28,060,488.49	\$0.00	\$8,255,092.32	(\$607.41)	\$19,804,788.76
Total	\$28,060,488.49	\$0.00	\$8,255,092.32	(\$607.41)	\$19,804,788.76

Allowance Reinsurance

Recovery Agent	Balance at 01/01/2024	Increases	Decreases	Balance at 12/31/2024
Receiver	(\$14,896,128.58)	\$1,488,578.34	\$607.41	(\$13,408,157.65)
Total	(\$14,896,128.58)	\$1,488,578.34	\$607.41	(\$13,408,157.65)

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Weston Property & Casualty Insurance Company in Liquidation
Schedule of Net Deferred Tax Asset - Net of Allowance
12/31/2024

Net Deferred Tax Asset

Description	Balance at 01/01/2024	Increases	Decreases	Balance at 12/31/2024
Net Deferred Tax Asset	\$46,244,380.43	\$0.00	\$0.00	\$46,244,380.43
Total	\$46,244,380.43	\$0.00	\$0.00	\$46,244,380.43

Allowance Net Deferred Tax Asset

Description	Balance at 01/01/2024	Increases	Decreases	Balance at 12/31/2024
Allowance Net Deferred Tax Asset	(\$46,244,380.43)	\$0.00	\$0.00	(\$46,244,380.43)
Total	(\$46,244,380.43)	\$0.00	\$0.00	(\$46,244,380.43)

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Weston Property & Casualty Insurance Company in Liquidation
Schedule of Receivables from Parent, Subsidiaries and Affiliates - Net of Allowance
12/31/2024

Receivables from Parent, Subsidiaries and Affiliates

Description	Balance at 01/01/2024	Increases	Decreases	Balance at 12/31/2024
Receivables from Parent, Subsidiaries and Affiliates	\$3,725,580.53	\$0.00	\$0.00	\$3,725,580.53
Total	\$3,725,580.53	\$0.00	\$0.00	\$3,725,580.53

Allowance for Receivables from Parent, Subsidiaries and Affiliates

Description	Balance at 01/01/2024	Increases	Decreases	Balance at 12/31/2024
Allowance for Receivables from Parent, Subsidiaries and Affiliates	(\$3,725,580.53)	\$0.00	\$0.00	(\$3,725,580.53)
Total	(\$3,725,580.53)	\$0.00	\$0.00	(\$3,725,580.53)

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Weston Property & Casualty Insurance Company in Liquidation
Schedule of Miscellaneous Receivables - Net of Allowance
12/31/2024

Miscellaneous Receivables

Description	Balance at 01/01/2024	Increases	Decreases	Balance at 12/31/2024
Miscellaneous Receivables	\$51,384.95	\$0.00	\$0.00	\$51,384.95
Total	\$51,384.95	\$0.00	\$0.00	\$51,384.95

Allowance for Miscellaneous Receivables

Description	Balance at 01/01/2024	Increases	Decreases	Balance at 12/31/2024
Allowance for Miscellaneous Receivables	(\$51,384.95)	\$0.00	\$0.00	(\$51,384.95)
Total	(\$51,384.95)	\$0.00	\$0.00	(\$51,384.95)

Florida Department of Financial Services, Division of Rehabilitation and Liquidation

Weston Property and Casualty Insurance Company

Notes to the Financial Statements

Dated December 31, 2024

1. **Receivership Estate Information.** Weston Property and Casualty Insurance Company (“Weston” or 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 modified cash basis of accounting using a calendar year basis. The statements do not provide any material accruals for post-financial date expenses. The statements are based on the available records of the Company and relate entirely or in part to events and occurrences that predate the receivership. The Receiver, and Special Deputy Receiver, take the records as they find them when the insurance company is placed into receivership. The Special Deputy Receiver has endeavored to compile these statements as completely and accurately as reasonably possible given the inherent limitations on access to accurate and complete historical information.
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. **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 \$6.4 million. 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, of which \$ 2,450,075 has been recovered as of December 31, 2024. The year 2022 reinsurance terminations also terminated the payment of any future reinsurance premium amounts, which were estimated to be approximately \$23,138,484. Three 2018 reinsurance contracts were commuted, effective December 31, 2023. As a result of these commutations, the Company received \$136,236.09, its share of the remaining assets from the underlying collateral trust account. A 2019 reinsurance contract was commuted, effective January 18, 2024. As a result of this commutation, the Company received \$796,676.12, its share of the remaining assets from the underlying collateral trust account. These amounts are reflected in the attached financial statements.

5. **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.
6. **Receivables from Parent, Subsidiaries, and Affiliates**. All amounts due from parent, or affiliates, were 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.
7. **Agent Commissions**. The Company has been receiving agent commission refunds since the outset of receivership and has evaluated the outstanding commissions due from all Weston agents. Weston Information Technology and Accounting department staff have developed documentation from all three of Weston’s existing policy systems regarding both positive commission and negative commission summaries, which are the amounts owed by Weston and owed to Weston, respectively. Weston’s agent and broker accounting records indicate net return commissions of \$9,388,303.19 due the receivership estate. The Company has received approximately \$7,026,094.85 in return commission payments as of December 31, 2024.
8. **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. The claim liabilities reported are generally gross filed and have only partially been reduced to final claim amounts. There have not been any early access payments made by the Receiver to any state insurance guaranty associations. Claim liability numbers for the insurance guaranty associations are based upon available information and documentation provided to the Receiver from both internal and external sources as of the end of the third quarter of 2024. 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.

The Company has received financial claims data from the Texas Property and Casualty Insurance Guaranty Association (“TPCIGA”), the Florida Insurance Guaranty Association (“FIGA”), the Louisiana Insurance Guaranty Association (“LIGA”), and the Mississippi Insurance Guaranty Association (“MIGA”). TPCIGA, FIGA, LIGA, and MIGA provided complete data sets through the end of the third quarter of 2024. This data was relied upon in preparing the Company’s financials. The insurance guaranty associations are reviewing and paying the Company’s claims and establishing reserves. In prior financial statements, the Company had maintained claims reserves in place at the inception of the receivership in some circumstances. Now, however, with the benefit of additional time and further claims reviews having been made by insurance guaranty associations, the Company has relied upon the claim reserves established by such associations. In prior financial statements, the Company had also maintained the incurred but not reported claim reserve in place at the inception of the receivership. Now, however, the Company does not report an incurred but not reported claim reserve because insurance guaranty associations have

been resolving and reserving for Weston's claims, and the scope and amount of claims are better quantified with the passing of the receivership estate's claims filing deadline.

A reserve is included in the Statement of Affairs for certain Proofs of Claim ("POCs") filed with the estate by policyholders for loss amounts that exceed \$300,000. The gross filed amounts have been reserved for these claims as a conservative estimate of potential liability for these POCs. The reserve amount is subject to further adjustment as POCs are adjudicated during the receivership process. It is anticipated that the actual allowed amount for these claims may be lower than the reserve amount.

9. **Excess (Deficiency) of Assets over Liabilities.** The excess (or deficiency) represents the estimated realizable value of assets after deducting the current estimate of liabilities. This excess (or deficiency) does not take into consideration any material 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.