

EISNERAMPER

THE DOMESTIC ESTATES IN LIQUIDATION

**COMBINED FINANCIAL STATEMENTS OF THE
DOMESTIC ESTATES IN LIQUIDATION
- MODIFIED CASH BASIS**

**DECEMBER 31, 2020 and 2019
(with Independent Auditors' Report)**



THE DOMESTIC ESTATES IN LIQUIDATION

Combined Financial Statements of the Domestic Estates in Liquidation - Modified Cash Basis

December 31, 2020 and 2019
With Independent Auditors' Report

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INDEPENDENT AUDITORS' REPORT

To the Superintendent of Financial Services of the State of New York as Receiver and the Management of the Domestic Estates in Liquidation managed by the New York Liquidation Bureau

Report on the Combined Financial Statements

We have audited the accompanying combined financial statements of the Domestic Estates in Liquidation managed by the New York Liquidation Bureau, which comprise the combined statements of assets, liabilities and deficit of assets over liabilities – modified cash basis as of December 31, 2020 and 2019, and the related combined statements of cash receipts and disbursements and changes in cash, cash equivalents and invested assets (unrestricted) – modified cash basis for each of the years then ended and the related notes to the combined financial statements – modified cash basis.

Management's Responsibility for the Combined Domestic Estates Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with the modified cash basis of accounting as described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the combined financial statements referred to in the first paragraph present fairly, in all material respects, the combined financial position (modified cash basis) of the Domestic Estates in Liquidation managed by the New York Liquidation Bureau as of December 31, 2020 and 2019, and the related combined statements of cash receipts and disbursements and changes in cash, cash equivalents and invested assets (unrestricted) – modified cash basis for each of the years then ended, in accordance with the modified cash basis of accounting described in Note 2.

Basis of Accounting

We draw attention to Note 2 of the combined financial statements, which describes the basis of accounting. The combined financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Emphasis of Matter

As discussed in Note 2 to the combined financial statements, these combined financial statements were prepared on the modified cash basis of accounting. Given the nature of the liquidation process, Non-Allowed Claims are preliminary estimates established for claims that have not yet been allowed. As a result of these preliminary estimates, these liabilities may change materially during the course of the liquidation at the point at which they become allowed. The Combined Domestic Estates Financial Statements also do not reflect any provision for incurred but not reported claim reserves.

Restriction on Use

The report is intended solely for the information of and use of the Superintendent of Financial Services of the State of New York as Receiver, to whose jurisdiction the Company is subject, the New York Liquidation Bureau ("NYLB") and management of the Company and is not intended to be, and should not be, used by anyone other than these specified parties.

EisnerAmper LLP

EISNERAMPER LLP
Iselin, New Jersey
July 19, 2021



THE DOMESTIC ESTATES IN LIQUIDATION
Combined Statements of Assets, Liabilities, and Deficit of Assets Over Liabilities –
Modified Cash Basis
As of December 31,

Combined Assets	<u>2020</u>	<u>2019</u>
Unrestricted Assets:		
Cash and Cash Equivalents	\$ 47,475,385	\$ 5,692,824
Bonds, at fair market value	<u>721,235,465</u>	<u>718,944,396</u>
 Total Cash, Cash Equivalents and Invested Assets	 <u>768,710,850</u>	 <u>724,637,220</u>
 Reinsurance Recoverables on Paid Losses and LAE (Note 5)	 210,575,657	 200,057,618
Less: Allowance for Uncollectible Reinsurance Recoverables (Note 5)	<u>(184,706,225)</u>	<u>(179,031,048)</u>
Net Reinsurance Recoverables on Paid Losses and LAE	25,869,432	21,026,570
 Reinsurance Recoverables on Unpaid Losses and LAE (Note 5)	 65,701,797	 89,368,895
Less: Allowance for Uncollectible Reinsurance Recoverables (Note 5)	<u>(41,311,978)</u>	<u>(56,394,840)</u>
Net Reinsurance Recoverables on Unpaid Losses and LAE	24,389,819	32,974,055
 Amounts Recoverable from Federal Reinsurance (Note 7)	 57,713,977	 51,736,709
Less: Reserve for Retrospective Premiums Receivable (Note 7)	<u>(57,713,977)</u>	<u>(51,736,709)</u>
Net Amount Recoverable from Federal Reinsurance	-	-
 Accrued Retrospective Premiums Receivable-Risk Corridors (Note 7)	 438,368,502	 445,134,282
Less: Reserve for Retrospective Premiums Receivable (Note 7)	<u>(438,368,502)</u>	<u>(445,134,282)</u>
Net Accrued Retrospective Premiums Receivable	-	-
 Receivable from CMS	 125,683	 125,673
Less: Reserve for Receivable from CMS	<u>(125,683)</u>	<u>(125,673)</u>
Net Receivable from CMS	-	-
 Receivables from Others	 4,150,000	 4,150,000
Accrued Investment Income	1,964,598	2,692,583
Other Assets	<u>1,031,184</u>	<u>1,195,785</u>
 Total Unrestricted Assets	 826,115,883	 786,676,213
 Restricted Assets:		
Statutory Deposits in Various States	10,900,929	10,541,756
Other Restricted Assets	<u>14,159,337</u>	<u>24,487,680</u>
 Total Restricted Assets	 25,060,266	 35,029,436
 Total Combined Assets	 \$ 851,176,149	 \$ 821,705,649

See accompanying notes to the Combined Financial Statements of the Domestic Estates in Liquidation – Modified Cash Basis (as defined herein). The Combined Financial Statements of the Domestic Estates in Liquidation – Modified Cash Basis and accompanying notes are prepared solely for the use of the Receiver, the NYLB and Management (as defined herein).

THE DOMESTIC ESTATES IN LIQUIDATION
Combined Statements of Assets, Liabilities, and Deficit of Assets Over Liabilities –
Modified Cash Basis (Continued)
As of December 31,

	<u>2020</u>	<u>2019</u>
Combined Liabilities		
Secured Claims	\$ 12,197,344	\$ 24,396,087
Unsecured Claims:		
Class One - Administrative Claims	7,880,497	8,746,890
Class Two - Claims and Related Costs		
Allowed	2,677,361,041	2,689,749,901
Non-Allowed	<u>594,871,225</u>	<u>625,433,401</u>
Total Class Two - Claims and Related Costs	3,272,232,266	3,315,183,302
Class Three - Federal Government Claims	338,377,723	252,610,380
Class Four - Employee Claims	8,025	10,641
Class Five - State and Local Government Claims	52,446,910	52,199,410
Class Six - General Creditor Claims	426,789,180	440,389,593
Class Seven - Late Filed Claims	309,790,547	309,790,948
Class Eight - Section 1307 (Shareholder) Loans	418,007,311	435,997,293
Class Nine - Shareholder Claims	181,582,385	180,470,855
Total Combined Liabilities	<u>5,019,312,188</u>	<u>5,019,795,399</u>
Other Post-Employment Benefits Liability	<u>47,517,646</u>	<u>42,448,376</u>
Deficit of Combined Liabilities over Combined Assets	<u>(4,215,653,685)</u>	<u>(4,240,538,126)</u>
Total Combined Liabilities and Deficit of Combined Assets over Combined Liabilities	<u>\$ 851,176,149</u>	<u>\$ 821,705,649</u>

See accompanying notes to the Combined Financial Statements of the Domestic Estates in Liquidation – Modified Cash Basis (as defined herein). The Combined Financial Statements of the Domestic Estates in Liquidation – Modified Cash Basis and accompanying notes are prepared solely for the use of the Receiver, the NYLB and Management (as defined herein).

THE DOMESTIC ESTATES IN LIQUIDATION
Combined Statements of Cash Receipts and Disbursements and Changes in Cash, Cash
Equivalents and Invested Assets (Unrestricted) - Modified Cash Basis
For the Years Ended December 31,

	<u>2020</u>	<u>2019</u>
Combined Receipts:		
Net Investment Income Received	\$ 15,746,405	\$ 17,247,769
Reinsurance Recovered	12,769,389	12,626,765
Litigation Award	7,000,000	2,200,000
Release from Statutory Deposits	2,191,271	1,914,325
Salvage and Subrogation Recoveries	851,632	262,556
Premiums Collected	633,706	7,872
Transfer from Segregated Account	510,670	1,625,085
Miscellaneous	243,833	285,702
Pharmacy Reimbursements	17,988	794,055
CMS Recoveries	-	1,974,811
Large Deductible	-	105,618
Reimbursement from Central Disbursement Account	-	100,000
Total Combined Receipts	<u>39,964,894</u>	<u>39,144,558</u>
Combined Disbursements:		
Distributions	5,562,392	10,966,896
Salaries	5,656,858	5,570,694
Employee Relations and Welfare	3,862,574	4,274,413
Professional Fees	2,833,674	2,252,415
Rent and Related Expenses	2,303,194	1,335,324
General and Administrative Expenses	1,306,247	682,740
Loss Adjustment Expense	1,027,097	457,934
Transfer to Segregated Account	790,068	10,048
Miscellaneous	255,898	1,024,638
Large Deductible	266,952	-
Salvage and Subrogation	112,864	47,226
Loss and Return Premiums	77,088	-
Total Combined Disbursements	<u>24,054,906</u>	<u>26,622,328</u>
Combined Receipts over Combined Disbursements	<u>15,909,988</u>	<u>12,522,230</u>
Cash, Cash Equivalents and Invested Assets (Unrestricted), Beginning of Year	<u>724,637,220</u>	<u>700,634,252</u>
Opening Cash, Cash Equivalents and Invested Assets (Unrestricted), Balances of New Estates	22,944,932	2,847,825
Net Change in Unrealized Gains on Investments	5,218,710	8,632,913
Cash, Cash Equivalents and Invested Assets (Unrestricted), End of Year	<u>\$ 768,710,850</u>	<u>\$ 724,637,220</u>

See accompanying notes to the Combined Financial Statements of the Domestic Estates in Liquidation – Modified Cash Basis (as defined herein). The Combined Financial Statements of the Domestic Estates in Liquidation – Modified Cash Basis and accompanying notes are prepared solely for the use of the Receiver, the NYLB and Management (as defined herein).

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 1: Nature of Operations of the Combined Domestic Estates in Liquidation
Background

The New York Liquidation Bureau (“NYLB” or the “Bureau”) is the office that carries out the duties of the Superintendent of Financial Services of the State of New York (“Superintendent”) in her capacity as receiver (“Receiver”) of impaired or insolvent insurance companies (“Estates”) under New York Insurance Law (“Insurance Law”) Article 74. The NYLB reports to the Superintendent in her capacity as Receiver rather than in her capacity as regulator and head of the Department of Financial Services (“DFS”). The NYLB operates separately from the DFS. The Superintendent, as Receiver, has the authority under Insurance Law Section 7422 to make such appointments including the Special Deputy Superintendent (“Special Deputy”) and other Agents, (collectively, “Agents”), as are necessary to carry out her functions as Receiver. The Agents, along with division directors and senior managers of the NYLB, are collectively referred to herein as (“Management”). Management carries out, through the NYLB, the responsibilities of the Receiver with regard to the Estates. The NYLB manages the daily operations of all Estates. References to the liquidator or rehabilitator throughout this document refer to the Superintendent as Receiver.

The Combined Domestic Estates Financial Statements (as defined in Note 2) as of December 31, 2020 and 2019 pertain to the financial statements for each domestic Estate in liquidation set forth below:

	<u>2020</u>	<u>2019</u>
American Medical and Life Insurance Company	X	X
Atlantic Mutual Insurance Company	X	X
Atlantis Health Plan, Inc.	X	X
Centennial Insurance Company	X	X
Cuatro, LLC	X	X
Eveready Insurance Company	X	X
Fiduciary Insurance Company of America	X	X
First Central Insurance Company	X	X
Frontier Insurance Company	X	X
Group Council Mutual Insurance Company	X	X

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 1: Nature of Operations of the Combined Domestic Estates in Liquidation
Background (continued)

	<u>2020</u>	<u>2019</u>
Health Republic Insurance of New York, Corp.	X	X
Ideal Mutual Insurance Company	X	X
Insurance Corporation of New York	X	X
Touchstone Health HMO, Inc.	X	X
Maidstone Insurance Company	X	
Midland Insurance Company	X	X
Professional Liability Insurance Company of America	X	X
Realm National Insurance Company		X
Union Indemnity Insurance Company of New York	X	X

The NYLB hereinafter refers to each of the foregoing Estates as an “Estate” or a (“Domestic Estate in Liquidation”) and all of the Domestic Estates in Liquidation collectively, as the (“Combined Domestic Estates in Liquidation”).

The following Domestic Estate in Liquidation was placed into liquidation in 2020:

Maidstone Insurance Company

Maidstone Insurance Company is included in these audit financials as requested by Management. Under New York Insurance Law sec. 7405 (g) (2), the NYLB’s combined annual financial audit of domestic insurance companies in receivership is not required to include insurance companies placed into receivership within the calendar year or fiscal year covered by the audited financial statements.

The financial statements for the following Estates are not included in the Combined Domestic Estates Financial Statements for the years ended December 31, 2020 and 2019: (i) Executive Life Insurance Company of New York which was placed into rehabilitation on April 23, 1991 and converted to a liquidation on August 8, 2013; (ii) Domestic Estates: Alliance National Insurance Company, liquidation date August 21, 2020, Quality Health Plans of New York, Inc., liquidation date October 9, 2020 and OneTitle National Guaranty Company, Inc., liquidation date October 6, 2020; (iii) fraternal associations; and (iv) ancillary Estates.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 1: Nature of Operations of the Combined Domestic Estates in Liquidation
Background (continued)

Profiles of Combined Domestic Estates In Liquidation Included in the Combined Domestic Estates Financial Statements for the Year Ended December 31, 2020 and 2019.

(1) American Medical and Life Insurance Company (“AMLI”)

AMLI was placed into liquidation by order dated December 28, 2016 ("Liquidation Order") and the Superintendent was appointed Liquidator.

A bar date of September 28, 2017 was established for the submission of all claims against AMLI or its insureds.

In December 2018, the Supreme Court of the State of New York approved a procedure for judicial review of the Liquidator’s adjudication and classification of claims (“Adjudication Procedure”) under Insurance Law Section 7435.

In the 2020 and 2019 financial statements of the Combined Domestic Estates, AMLI’s classes of liabilities are presented under Insurance Law 7434. The difference between Section 7434 and Section 7435 is not considered significant for purposes of the combined financial statements. In the event that an issue arises in the distribution of AMLI’s assets under Section 7435, the Liquidator will refer the matter to the Receivership Court.

(2) Atlantic Mutual Insurance Company (“AMIC”)

AMIC was placed into rehabilitation on September 16, 2010. On April 27, 2011, the rehabilitation was converted to a liquidation and the Superintendent was appointed Liquidator.

A bar date of December 15, 2013 was established for the submission of all claims against AMIC or its insureds. January 16, 2015 was established as the last day to submit evidence in support of such claims.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 1: Nature of Operations of the Combined Domestic Estates in Liquidation
Background (continued)

Profiles of Combined Domestic Estates In Liquidation (continued)

(3) Atlantis Health Plan Inc. (“Atlantis”)

Atlantis was placed into liquidation by order dated April 19, 2019 and the Superintendent was appointed Liquidator, by an order of the Supreme Court of the State of New York.

A bar date of October 11, 2019 was established for the submission of all claims against Atlantis or its insureds.

(4) Centennial Insurance Company (“Centennial”)

Centennial was placed into rehabilitation on September 16, 2010. On April 27, 2011, the rehabilitation was converted to a liquidation and the Superintendent was appointed Liquidator.

A bar date of December 15, 2013 was established for the submission of all claims against Centennial or its insureds. January 16, 2015 was established as the last day to submit evidence in support of such claims.

(5) Cuatro LLC (“Cuatro”)

Cuatro was placed into liquidation on August 6, 2018 and the Superintendent was appointed Liquidator.

A bar date of February 2, 2019 was established for the submission of all claims against Cuatro or its insureds.

(6) Eveready Insurance Company (“Eveready”)

Eveready was placed into liquidation on January 29, 2015 and the Superintendent was appointed Liquidator.

A bar date of January 29, 2016 was established for the submission of all claims against Eveready or its insureds.

(7) Fiduciary Insurance Company of America (“FIC”)

FIC was placed into liquidation by order dated July 25, 2017 and the Superintendent was appointed Liquidator.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 1: Nature of Operations of the Combined Domestic Estates in Liquidation
Background (continued)

Profiles of Combined Domestic Estates In Liquidation (continued)

A bar date of September 24, 2018 was established for the submission of claims against FIC or its insureds.

(8) First Central Insurance Company (“FCIC”)

FCIC was placed into rehabilitation on January 28, 1998. On April 27, 1998, the rehabilitation was converted to a liquidation and the Superintendent was appointed Liquidator.

A bar date of April 30, 2013 was established for the submission of all claims against FCIC or its insureds.

(9) Frontier Insurance Company (“Frontier”)

Frontier was placed into rehabilitation on October 15, 2001. On November 16, 2012, the rehabilitation was converted to a liquidation and the Superintendent was appointed Liquidator.

A bar date of December 31, 2013 was established for the submission of all claims against Frontier or its insureds. December 31, 2014 was established as the last date for the submission of evidence in support of such claims.

(10) Group Council Mutual Insurance Company (“Group Council”)

On March 19, 2002, Group Council was placed into liquidation and the Superintendent was appointed Liquidator.

A bar date of August 31, 2013 was established for the submission of all claims against Group Council or its insureds.

(11) Health Republic Insurance of New York, Corp. (“HRINY”)

The New York Supreme Court placed HRINY into liquidation and the Superintendent was appointed as Liquidator on May 11, 2016.

Paragraph 19 of the order of liquidation states:

“With respect to all claims other than the Policy Claims referenced in paragraph 18, the deadline set forth in Section 7432(b) of the New York Insurance Law for all persons who have claims against HRINY to present such claims to the Liquidator shall be deferred until further order of the Court. The Liquidator is authorized in her discretion to refrain from adjudicating claims other than Administrative Expenses and Policy Claims.”

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 1: Nature of Operations of the Combined Domestic Estates in Liquidation Background (continued)

Profiles of Combined Domestic Estates In Liquidation (continued)

(11) Health Republic Insurance of New York, Corp. (“HRINY”) (continued)

In compliance with the order, the NYLB has deferred the adjudication of creditor claims other than policy Claims, but has included in the Combined Domestic Estates Financial Statements liabilities that were on the HRINY balance sheets at the date of liquidation and has reported them in their respective Creditor Classes in the Combined Domestic Estates Financial Statements.

By order dated April 9, 2021, the Court has now permitted the submission to the Liquidator of additional claims, other than Policy Claims, for a four month period, ending on August 9, 2021, after which the Liquidator expects to adjudicate the claims in accordance with the Claims Adjudication Procedures established by the Court.

(12) Ideal Mutual Insurance Company (“Ideal”)

Ideal was placed into rehabilitation on December 26, 1984. On February 7, 1985, the rehabilitation was converted to a liquidation and the Superintendent was appointed Liquidator.

A bar date of December 31, 2003 was established for the submission of all claims against Ideal or its insureds.

(13) Maidstone Insurance Company (“Maidstone”)

Maidstone was placed into liquidation by order of the Supreme Court of the State of New York, dated February 13, 2020. Maidstone was licensed to conduct the business of insurance in the State of New York under paragraphs (3) through (17), (19) through (21), and (26) of section 1113(a) of the New York Insurance Law. Maidstone was licensed to conduct the business of insurance in 23 other states.

A bar date of February 13, 2021 was established for the submission of all claims against Maidstone and its insureds.

(14) Midland Insurance Company (“Midland”)

On April 3, 1986, Midland was placed into liquidation and the Superintendent was appointed Liquidator.

On July 1, 2011, the Midland Receivership Court entered an order (“Bar Date Order”), which established January 31, 2012 as the last date on which the holder of a claim against Midland, except the Guaranty Funds of foreign (i.e., states other than New York) Guaranty Funds, may submit to the Liquidator an amendment to a previously filed or deemed filed proof of claim, including a policyholder protection proof of claim, and established January 31, 2013 as the last date on which the holder of a claim against Midland, except Guaranty Funds, may submit to the Liquidator

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 1: Nature of Operations of the Combined Domestic Estates in Liquidation Background (continued)

Profiles of Combined Domestic Estates In Liquidation (continued)

(14) Midland Insurance Company (“Midland”) (continued)

proof in support of allowance of a previously filed (or deemed filed) claim against Midland. On April 30, 2015, an order (April 2015 Order) was entered establishing December 31, 2015 as the date by which all undetermined POC (“Proof of Claim”). Claimants, as defined in the April 2015 Order, could submit to the Liquidator a Claim Amendment, as defined in the Bar Date Order, that was capable of having been submitted by the January 31, 2012 deadline established in the Bar Date Order, and any proof in support of the allowance of the claim of that was capable of having been submitted by the January 31, 2013 deadline established in the Bar Date Order.

(15) Professional Liability Insurance Company of America (“PLICA”)

PLICA was placed into rehabilitation on April 30, 2010. On February 10, 2014, the rehabilitation proceeding was converted to a liquidation and the Superintendent was appointed Liquidator.

A bar date of June 30, 2017 was established for the submission of all claims against PLICA and its insureds, including claims reportable under any extended reporting period endorsements of policies issued by PLICA.

By order dated February 26, 2021, the Court closed the PLICA liquidation proceeding.

(16) Realm National Insurance Company (“Realm”)

The Realm liquidation proceeding was closed by Court Order on January 23, 2019.

(17) The Insurance Corporation of New York (“INSCORP”)

INSCORP was placed into rehabilitation on June 30, 2009. On March 10, 2010, the rehabilitation was converted to a liquidation and the Superintendent was appointed liquidator.

A bar date of December 31, 2012, was established for the submission of all claims against INSCORP or its insureds.

(18) Touchstone Health HMO, Inc. (“Touchstone”)

Touchstone Health HMO, Inc. was placed into liquidation by Court Order dated May 11, 2018, and the Superintendent was appointed as Liquidator.

A bar date of November 13, 2018 was established for the submission of all claims against Touchstone or its insureds.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 1: Nature of Operations of the Combined Domestic Estates in Liquidation Background (continued)

Profiles of Combined Domestic Estates In Liquidation (continued)

(19) Union Indemnity Insurance Company of New York (“Union”)

On July 16, 1985, Union was placed into liquidation and the Superintendent was appointed Liquidator.

A bar date of July 19, 2010 was established for the submission of all claims against Union or its insureds.

NYLB’s Role With Respect to the New York Security Funds

The NYLB’s expenses are paid from the assets of the Estates under receivership, as well as reimbursements from the New York Property/Casualty Insurance Security Fund (“P/C Fund”) and the Public Motor Vehicle Liability Security Fund (“PMV Fund”), established under Insurance Law Article 76, and the Workers’ Compensation Security Fund (“WC Fund”), established under New York Workers’ Compensation Law Article 6-A (collectively, the “Security Funds”), which are funded in part by assessments on insurance company premiums on policies written in the State of New York. The NYLB performs claims-handling and certain payment functions relating to the Security Funds. The Security Funds are used to pay eligible claims remaining unpaid by reason of an insolvent insurer’s inability to meet its obligations to policyholders. To the extent that the Security Funds pay eligible claims of an Estate, the Security Funds become creditors of the Estate.

Guaranty Funds of Other States

Other States and jurisdictions have established guaranty funds (“Guaranty Funds”) to pay the claims of insolvent insurance companies pursuant to their respective state laws. To the extent that the Guaranty Funds pay eligible claims of an Estate, the Guaranty Funds become creditors of the Estates.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 2: Summary of Significant Accounting Policies Basis of Presentation

The Combined Statements of Assets, Liabilities, and Deficit of Assets Over Liabilities – Modified Cash Basis and Combined Statements of Cash Receipts and Disbursements and Changes in Cash, Cash Equivalents and Invested Assets (Unrestricted) – Modified Cash Basis (collectively, “Combined Financial Statements of the Domestic Estates in Liquidation – Modified Cash Basis”) reflect the combined financial position and combined cash receipts and disbursements of the Combined Domestic Estates in Liquidation. The Combined Domestic Estates Financial Statements have been prepared on the modified cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America (“U.S. GAAP”). This modified cash basis presentation differs from U.S. GAAP in that the gains or losses on invested assets are reported on the combined statements of cash receipts and disbursements, revenues are recognized when received, rather than when earned, and certain expenses are recognized when paid, rather than when the obligation is incurred. This modified cash basis presentation is cash basis accounting that incorporates the following accruals: (i) investment income earned but not yet received; (ii) post-employment benefits; (iii) unpaid claims and related expenses; (iv) a reserve for uncollectable reinsurance recoverables on paid claims and outstanding reserves; (v) accruals for Classes One through Eight Claims, including administrative expenses, presented on a U.S. GAAP equity basis; and (vi) unrealized gains and losses on investments.

The Combined Domestic Estates Financial Statements do not include direct incurred but not reported reserves, and investments in subsidiaries are not consolidated and presented on a U.S. GAAP equity basis.

The following Supplementary Schedules are attached hereto as Appendix A:

- December 31, 2020 and 2019:

The Domestic Estates in Liquidation Combining Schedules of the Estates’
Assets, Liabilities, and (Deficit) Surplus of Assets Over Liabilities

Cash Receipts and Disbursements and Changes in Cash, Cash Equivalents
and Invested Assets (Unrestricted) – Modified Cash Basis

In the beginning of a liquidation proceeding, the liabilities are typically preliminary estimates that may change materially during the course of the liquidation, depending on the types of business that were written by the insurance company and the complexity of the insurance company’s activities and organization.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 2: Summary of Significant Accounting Policies Basis of Presentation (continued)

Preparation of the Combined Domestic Estates Financial Statements requires Management to make estimates and assumptions that may affect the amounts reported herein and related accompanying notes. When these amounts are ultimately determined (*i.e.*, no longer require the use of estimates and assumptions to be calculated), the determined amounts may differ significantly from the amounts reported herein.

Combined Assets

Cash and Cash Equivalents

Cash and cash equivalents are presented at cost, which approximates fair market value, and include cash and investments held at financial institutions. These investments include money market funds and other highly liquid investments with remaining maturities of one year or less.

The NYLB maintains the cash balances of the Combined Domestic Estates in Liquidation in investments and at financial institutions that are insured by the Federal Deposit Insurance Corporation (“FDIC”). These institutions currently have short-term ratings of P-1 (Moody’s), A-2 (S&P) and F1+ (Fitch) for JP Morgan Chase, and P-1 (Moody’s), A-1+ (S&P) and F1+ (Fitch) for Bank of New York Mellon. As of December 31, 2020 and 2019, the FDIC insured accounts up to \$250,000 at the above named institutions. Management monitors balances of cash in excess of insured limits and believes that such balances do not represent a material credit risk to the Combined Domestic Estates in Liquidation.

Bonds

Bonds include short-term and long-term U.S. Treasury and agency securities that are generally held until maturity, some of which may be subject to demand features. These investments are recorded at estimated fair market value based on quoted market prices. The unrealized gains or losses on these securities are recorded in the Combined Statements of Cash Receipts and Disbursements and Changes in Cash, Cash Equivalents and Invested Assets (Unrestricted) – Modified Cash Basis. (See Note 3).

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 2: Summary of Significant Accounting Policies (continued)

Combined Assets (continued)

Reinsurance

Reinsurance recoverables on paid or allowed losses and loss adjustment expenses (“LAE”) are reported as an asset when billed to reinsurers. Reinsurance recoverables on unpaid and non-allowed losses and LAE case reserves are reported as an asset when the reserve is set. These unpaid losses and LAE case reserves reflect Management’s best estimates and therefore related reinsurance recoverables are subject to adjustment. Provision is made for uncollectible reinsurance as explained in Note 5.

HRINY Receivable from Federal Reinsurance Program

HRINY participated in the ACA’s temporary Federal Reinsurance Program, which was created to reduce the incentive for insurers to charge higher premiums due to new market reforms that guaranteed health insurance coverage regardless of health status. Under this Program, eligible health insurers, like HRINY, received reinsurance payments for high-cost enrollees when the plan’s cost for that enrollee exceeded \$45,000. The maximum reimbursement of the reinsurance cap for all three benefit years was \$250,000. The coinsurance rate, the percentage of costs above the \$45,000 attachment point and below the \$250,000 reinsurance cap that were reimbursed through this Program was set at 80% for benefit year 2014 and 50% for benefit years 2015 and 2016. In preparing the Combined Domestic Estates Financial Statements, Management made estimates of amounts recoverable under the Federal Reinsurance Program. Federal Reinsurance is discussed further in Note 7.

HRINY Accrued Retrospective Premiums Receivable – Risk Corridors Program

HRINY participated in the ACA’s temporary Risk Corridors Program, which was created to promote accurate premiums in the early years of the exchanges by discouraging insurers from setting premiums high in response to uncertainty about enrollment and costs. Premium adjustments pursuant to the Risk Corridors Program are accounted for as premium adjustments for retrospectively rated contracts. Management has established a reserve for the accrued retrospective premiums receivable which represents Management’s best estimate of recovery. Management believes its estimates are reasonable and adequate and reviews and adjusts them as necessary.

Accrued retrospective premiums receivable – Risk Corridor is discussed further in Note 7.

Receivables from Others

Receivables from Others include: (i) cash deposited in the central disbursement account (“CDA”) for administrative expenses, and (ii) retainer fees with third-party administrators and consultants. As of December 31, 2020 and 2019, the Receivables from Others totaled \$4,150,000. The CDA is discussed in further detail in Note 10.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
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Note 2: Summary of Significant Accounting Policies (continued)

Combined Assets (continued)

Accrued Investment Income

Accrued Investment Income includes revenue from the investment portfolio that is earned but not yet received and is reported as accrued investment income in the Combined Statements of Assets, Liabilities, and Deficit of Assets Over Liabilities – Modified Cash Basis. The change in accrued investment income is recorded in net investment income received.

Other Assets

Other Assets include (i) advances to third-party administrators and (ii) pharmacy receivables.

As of December 31, 2020 and 2019, Other Assets by Estate are as follows:

<u>Estate</u>	<u>2020</u>	<u>2019</u>
Cuatro	\$ -	\$ 25,000
Atlantic Mutual	242,098	242,098
Fiduciary	434,404	434,404
Centennial	112,463	112,463
Maidstone	229,363	-
Health Republic	-	368,964
American Medical	12,856	12,856
Total	<u>\$ 1,031,184</u>	<u>\$ 1,195,785</u>

Restricted Assets

Statutory Deposits in New York or Other States

Statutory Deposits in New York or other states are monies held by various state regulatory authorities in compliance with the insurance laws of the respective states and recorded at fair market value.

The sale of securities may be restricted pursuant to insolvency deposit requirements in states where one or more of the Domestic Estates in Liquidation previously conducted business. Due to their restrictive nature, these investments are classified as Restricted Assets and recorded at fair market value without regard to contractual maturity.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 2: Summary of Significant Accounting Policies (continued)

Restricted Assets (continued)

Other Restricted Assets

Security Fund Cash:

Security Fund Cash consists of dedicated monies received from the Security Funds solely to pay specific policy-related claims and expenses.

Funds Held for Secured Claims:

These funds are held for claims secured by letter of credit (“LOC”) or other collateral securities, but do not include special deposit claims or claims against general assets.

Other Assets:

Restricted Assets are held to meet specific obligations, such as the payment of dividends and Second Injury Fund Claims, and the transfer of funds to the New York State Comptroller’s office of Unclaimed Funds.

As of December 31, 2020, the details of the Restricted Assets for each Domestic Estate in Liquidation are set forth in the table below (Estates without restricted assets are excluded):

<u>Domestic Estate in Liquidation</u>	<u>Statutory Deposits</u>	<u>Restricted Assets</u>			<u>Total</u>
		<u>Security Fund Cash</u>	<u>Funds Held for Secured Claims</u>	<u>Other Assets</u>	
AMIC	\$ 4,795,450	\$ -	\$ 2,420,288	\$ 688,613	\$ 7,904,351
AMLI	134,826	-	-	-	134,826
Centennial	3,787,928	-	571,763	229,538	4,589,229
Cuatro	-	-	-	25,357	25,357
Frontier	1,218,034	-	1,717,198	-	2,935,232
Ideal	-	-	-	304,505	304,505
Maidstone	858,402	-	1,968,269	532,052	3,358,723
Inscorp	106,289	-	537,099	990,248	1,633,636
Midland	-	252	627,168	415,930	1,043,350
Union	-	-	3,123,329	7,728	3,131,057
Total	<u>\$ 10,900,929</u>	<u>\$ 252</u>	<u>\$ 10,965,114</u>	<u>\$ 3,193,971</u>	<u>\$ 25,060,266</u>

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 2: Summary of Significant Accounting Policies (continued)

Restricted Assets (continued)

As of December 31, 2019, the details of the Restricted Assets for each Domestic Estate in Liquidation are set forth in the table below (Estates without restricted assets are excluded):

<u>Domestic Estate in Liquidation</u>	<u>Statutory Deposits</u>	<u>Restricted Assets</u>			<u>Total</u>
		<u>Security Fund Cash</u>	<u>Funds Held for Secured Claims</u>	<u>Other Assets</u>	
AMIC	\$ 4,918,881	-	\$ 14,812,462	\$ 688,613	\$ 20,419,956
AMLI	292,215	-	-	-	292,215
Centennial	3,779,660	-	773,037	229,538	4,782,235
Cuatro	-	-	-	25,357	25,357
Frontier	1,445,338	-	1,714,896	-	3,160,234
Ideal	-	-	-	361,397	361,397
Inscorp	105,662	-	679,418	990,248	1,775,328
Midland	-	252	626,720	431,009	1,057,981
Union	-	-	3,121,107	33,626	3,154,733
Total	<u>\$ 10,541,756</u>	<u>\$ 252</u>	<u>\$ 21,727,640</u>	<u>\$ 2,759,788</u>	<u>\$ 35,029,436</u>

Combined Liabilities

Secured Claims

Secured Claims, if present, relate to any claim secured by an LOC or other collateral security, but does not include special deposit claims or claims against general assets. Secured claims also include claims which have become liens upon specific assets by reason of judicial process more than four months prior to the commencement of delinquency proceedings. As of December 31, 2020 and 2019, Secured Claims totaled \$12,197,344 and \$24,396,087, respectively.

Unsecured Claims

Unsecured Claims are prioritized by class of creditor in the distribution of assets scheme set forth in Insurance Law Section 7434 for property/casualty insurers and Section 7435 for life insurance companies.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 2: Summary of Significant Accounting Policies (continued)

Combined Liabilities (continued)

Unsecured Claims (continued)

Under Insurance Law Section 7434, a claim under a policy is afforded a Class Two priority in the distribution of Estate assets. No payment of claims below Class Two claims can be made until all Class Two claims are paid in full. Classes Three through Nine are evaluated and paid if sufficient assets remain after the payment of Class Two claims.

- (i) Class One – Administrative Claims
Claims with respect to the actual and necessary expenses of administration incurred by the Liquidator.
- (ii) Class Two – Policyholder Claims
All claims under policies, including claims of federal, state or local government for losses incurred, third party claims, claims for unearned premiums, and all claims of security funds or guaranty associations, but excluding claims under reinsurance contracts. The NYLB further classifies Class Two claims as either Allowed Claims or Non-Allowed Claims.

Allowed Claims

Allowed Claims are claims that have been approved by the Receivership Court, or the Superintendent. The liability carried is net of distributions, if any, that may have been paid as early access or dividends from the Domestic Estate.

Non-Allowed Claims

Non-Allowed Claims, are preliminary estimates established for claims that have not yet been allowed. Non-Allowed Claims consist of Established Reserves and or Reserves for Amounts Claimed which are amounts that have been determined by Management to be reasonable estimates of claims for incurred covered losses and associated LAE not yet allowed.

Management reviews the individual claim reserves that were established by the company prior to receivership and may in its discretion accept the reserves or may make adjustments based on the following factors: applicable contracts; comparative liability; injuries and causal relationship; past and future pain and suffering; physical damage estimates; time on the line for exposure to toxin(s); venue; and verdict values.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 2: Summary of Significant Accounting Policies (continued)

Combined Liabilities (continued)

Unsecured Claims (continued)

(ii) Class Two – Policyholder Claims (continued)

Although considerable variability is inherent in such estimates, Management believes that the Established Reserves for claims for incurred covered losses and associated LAE are reasonable.

The liabilities for creditor claims which have neither been determined by the NYLB nor allowed by the Receivership Court are carried as non-allowed claimed amounts. Therefore, reserves for non-allowed claimed amount may be overstated.

LAE is included in Reserves and is allocated to a Domestic Estate as either direct or indirect LAE. Direct LAE are expenses related to a specific claim and charged to the appropriate Domestic Estate. Examples of Direct LAE include attorney's fees, bill review, investigator and surveillance charges, expert fees and court reporters fees. Indirect LAE are those expenses that are allocated proportionally among the Domestic Estates, such as rent, utilities and other overhead costs.

The Established Reserves are reviewed and adjusted as necessary, as experience develops or new information becomes known.

(iii) Class Three – Federal Government Claims

Claims of the federal government, except those stated above in Class Two.

(iv) Class Four – Employee Claims

Claims for wages owing to employees of an insurer against whom an Article 74 proceeding is commenced and claims for unemployment insurance contributions required by Article 18 of the New York Labor Law.

(v) Class Five – State and Local Government Claims

Claims of state and local governments, except those stated above in Class Two.

(vi) Class Six – General Creditor Claims

Claims of general creditors, including, but not limited to, claims arising under reinsurance contracts.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 2: Summary of Significant Accounting Policies (continued)

Combined Liabilities (continued)

Unsecured Claims (continued)

- (vii) Class Seven – Late Filed Claims
Claims filed late or any other claims other than claims stated in Class Eight or Class Nine below.
- (viii) Class Eight – Section 1307 (Shareholder) Loans
Claims for advanced or borrowed funds made pursuant to Insurance Law Section 1307.
- (ix) Class Nine – Shareholder Claims
Claims of shareholders or other owners in their capacity as shareholders.

Insurance Law Section 7435

The list of creditor classes in order of priority as set forth by Insurance Law Section 7435 is as follows:

- (i) Class One – Administrative Claims
Claims with respect to the actual and necessary expenses of administration incurred by the Receiver.
- (ii) Class Two – Employee Claims
Debts due to employees for services performed to the extent that they do not exceed \$1,250 and represent payment for services performed within one year before the commencement of a proceeding under Article 74.
- (iii) Class Three – Vendor Claims
All claims for payment for goods furnished or services rendered to the impaired or insolvent insurer in the ordinary course of business within ninety days prior to the date on which the insurer was determined to be impaired or insolvent.
- (iv) Class Four – Policy and Annuity Contracted Related Claims
All claims under insurance policies, annuity contracts and funding agreements, and all claims of The Life Insurance Company Guaranty Corporation of New York or any other guaranty corporation or association of this state or another jurisdiction, other than Class One claims and claims for interest.
- (v) Class Five – Federal, State and Local Government Claims
Claims of the federal or any state or local government.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
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For the Years Ended December 31, 2020 and 2019

Note 2: Summary of Significant Accounting Policies (continued)

Combined Liabilities (continued)

Unsecured Claims (continued)

Insurance Law Section 7435 (continued)

- (vi) Class Six – General Creditor Claims
Claims of the federal government, except those stated above in Class Two.
- (vii) Class Seven – Surplus, Capital or Contribution Notes
Surplus, capital and contribution notes, or similar obligations.
- (viii) Class Eight – Policyholder, Shareholder Claims
The claims of (i) policyholders, other than claims under paragraph four of this subsection, and (ii) shareholders or other owners.

Distribution of Assets

Distributions of Estate assets are made in a manner that assures the proper recognition of priorities and a reasonable balance between the expeditious completion of the liquidation and the protection of non-adjudicated claims. The priority of distribution of assets for property/casualty and health companies is in accordance with Insurance Law Section 7434 for Property/Casualty and health companies and Section 7435 for life insurance companies. No sub-classes are established within any class and no equitable remedy may be used to avoid the priority of distribution of claims as set forth in Insurance Law Sections 7434 or 7435.

Allocation of Expenses

The NYLB allocates general and administrative expenses, such as salaries, payroll taxes, rent and related expenses, office expenses and employee relations and welfare (e.g., contributions to employee health insurance, pension plans and other fringe benefits), among the Domestic Estates in Liquidation, Security Funds, ancillary Estates, conservations and fraternal associations. Reimbursement of such expenses is generally based on the amount of time NYLB employees allocate to the respective Domestic Estates in Liquidation and Security Funds.

Reclassification

Certain amounts from the 2019 financial statements have been reclassified to conform to the 2020 presentation.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 3: Unrestricted Investments

Investment income received includes interest income received from cash deposits, interest on bonds and short-term investments, dividends, realized gains or losses on sale of investments, and the amortization of bond premium and discount.

Realized gains and losses on investments sold are computed using the specific identification method, wherein gains and losses are recognized as of the settlement date, included in proceeds from investments and presented in net investment income received.

The components of net investment income received for the years ended December 31, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Interest on Bonds	\$ 14,151,804	\$ 14,859,766
Interest on Short-Term Investments and Cash Equivalents	14,461	139,114
Realized Gain/(Loss) on Sale of Investments	819,446	159,738
Dividends	6,650	-
Total Gross Investment Income	<u>14,992,361</u>	<u>15,158,618</u>
Net Amortization of Bond Premium and Discount	754,044	2,089,151
Net Investment Income Received	<u>\$ 15,746,405</u>	<u>\$ 17,247,769</u>

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 3: Unrestricted Investments (continued)

As of December 31, 2020 and December 31, 2019, respectively, the cost or amortized cost and fair market value of bonds, by asset class are as follows:

December 31, 2020				
Asset Class	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
Asset backed	\$ 64,273,814	\$ 897,911	\$ (3,602)	\$ 65,168,123
Corporate	239,995,172	4,460,023	(3,755)	244,451,440
Government	99,933,982	2,294,224	(301)	102,227,905
Mortgage backed	10,089,033	367,225	-	10,456,258
Short term	195,069,811	15,383	-	195,085,194
Tax-exempt municipal	511,837	2,108	-	513,945
Treasury	100,088,213	2,715,709	-	102,803,922
Collateral Backed Mortgage Securities	526,850	1,828	-	528,678
	<u>\$ 710,488,712</u>	<u>\$ 10,754,411</u>	<u>\$ (7,658)</u>	<u>\$ 721,235,465</u>
December 31, 2019				
Asset Class	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
Asset backed	\$ 81,460,668	\$ 528,619	\$ (25,140)	\$ 81,964,147
Corporate	256,267,244	2,066,025	(20,606)	258,312,663
Government	73,352,898	567,360	(3,373)	73,916,885
Mortgage backed	11,071,517	139,926	(75,577)	11,135,866
Short term	100,799,357	6,080	(507)	100,804,930
Supranational	299,892	-	(16)	299,876
Tax-exempt municipal	89,854	1,912	-	91,766
Treasury	190,179,317	2,239,643	(697)	192,418,263
	<u>\$ 713,520,747</u>	<u>\$ 5,549,565</u>	<u>\$ (125,916)</u>	<u>\$ 718,944,396</u>

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
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For the Years Ended December 31, 2020 and 2019

Note 3: Unrestricted Investments (continued)

As of December 31, 2020 and December 31, 2019, respectively, the cost or amortized cost and fair market value of bonds, for each Domestic Estate in Liquidation are as follows (Estates with no bonds are excluded):

December 31, 2020				
Domestic Estates in Liquidation	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
AMIC	\$ 76,369,256	\$ 1,447,501	\$ (543)	\$ 77,816,214
AML	1,133,024	1,379	-	1,134,403
Atlantis Health	2,544,716	40,318	-	2,585,034
Centennial	38,014,043	918,534	(213)	38,932,364
Cuatro	4,306,617	18,356	-	4,324,973
Eveready	318,750	12,520	-	331,270
Fiduciary	39,014,111	315,289	(153)	39,329,247
First Central	1,980,604	27,175	-	2,007,779
Frontier	32,023,072	345,013	(808)	32,367,277
Group Council	1,163,238	107	-	1,163,345
HRINY	39,090,886	2,793,611	(18)	41,884,479
Ideal	47,992,617	229,625	(3,626)	48,218,616
Maidstone	22,570,726	181,074	(10)	22,751,790
Inscorp	13,773,772	106,107	(321)	13,879,558
Midland	362,896,755	4,037,244	(1,925)	366,932,074
Touchstone	5,183,182	65,142	-	5,248,324
Union	22,113,343	215,416	(41)	22,328,718
Total	\$ 710,488,712	\$ 10,754,411	\$ (7,658)	\$ 721,235,465

December 31, 2019				
Domestic Estates in Liquidation	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
AMIC	\$ 77,836,693	\$ 806,171	\$ (14,770)	\$ 78,628,094
AML	1,135,944	641	(16)	1,136,569
Atlantis Health	2,560,266	11,680	-	2,571,946
Centennial	39,047,939	516,429	(3,695)	39,560,673
Cuatro	4,348,743	3,079	(83)	4,351,739
Eveready	317,852	7,216	-	325,068
Fiduciary	33,769,703	136,000	(7,221)	33,898,482
First Central	1,993,506	795	-	1,994,301
Frontier	32,813,963	127,364	(8,439)	32,932,888
Group Council	1,498,581	228	(190)	1,498,619
HRINY	39,176,431	1,466,616	(2,372)	40,640,675
Ideal	49,967,209	62,464	(64)	50,029,609
Inscorp	14,210,483	22,512	(2,607)	14,230,388
Midland	372,347,641	2,300,647	(77,640)	374,570,648
PLICA	14,414,541	18,799	(4,374)	14,428,966
Touchstone	5,808,803	3,833	(147)	5,812,489
Union	22,272,449	65,091	(4,298)	22,333,242
Total	\$ 713,520,747	\$ 5,549,565	\$ (125,916)	\$ 718,944,396

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
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Note 3: Unrestricted Investments (continued)

The NYLB's bonds in a continuous unrealized loss position are as follows:

		December 31, 2020					
		Less than 12 Months		Greater than 12 Months		Total	
		Fair Market Value	Unrealized Losses	Fair Market Value	Unrealized Losses	Fair Market Value	Unrealized Losses
Bonds		\$ 4,258,251	\$ (4,945)	\$ 9,150,992	\$ (2,713)	\$ 13,409,243	\$ (7,658)
	Total	\$ 4,258,251	\$ (4,945)	\$ 9,150,992	\$ (2,713)	\$ 13,409,243	\$ (7,658)

		December 31, 2019					
		Less than 12 Months		Greater than 12 Months		Total	
		Fair Market Value	Unrealized Losses	Fair Market Value	Unrealized Losses	Fair Market Value	Unrealized Losses
Bonds		\$ 32,037,870	\$ (15,328)	\$ 37,126,185	\$ (110,588)	\$ 69,164,055	\$ (125,916)
	Total	\$ 32,037,870	\$ (15,328)	\$ 37,126,185	\$ (110,588)	\$ 69,164,055	\$ (125,916)

The NYLB's portfolio of bonds is sensitive to interest rate fluctuations which affect the fair market value of individual securities. Management has the intent and ability to hold the securities until recovery and/or maturity. Management does not consider the unrealized losses on the NYLB's portfolio of short-term investments and bonds as other-than-temporary impairments as of December 31, 2020 and 2019.

The amortized cost and fair market value of bonds held to maturity at December 31, 2020 are shown below by the date of contractual maturity. Actual maturity dates may differ from contractual maturity dates because borrowers may have the right to call or prepay obligations.

Combined Estates in Liquidation	2020	
	Fair Market Value	Amortized Cost
Due within one year	\$ 400,010,693	\$ 398,352,254
Due after one year and before five years	321,063,397	311,990,447
Due after five years and before ten years	161,375	146,011
Total Combined Domestic Estates	\$ 721,235,465	\$ 710,488,712

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 3: Unrestricted Investments (continued)

Proceeds received from sales and maturities of bonds and net gains (losses) for the years ended December 31, 2020 and 2019 are as follows:

	<u>Proceeds Received</u>		<u>Net gains (losses) on Called or Sold Bonds for The Years Ended</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
AMLI	\$ 1,420,982	\$ 1,425,000	\$ -	\$ -
AMIC	32,180,072	55,056,080	151,687	2,678
Atlantis	1,128,993	2,435,000	-	-
Centennial	18,780,307	23,967,530	80,850	1,231
Cuatro	5,457,848	199,335	(2)	614
Fiduciary	61,939,071	4,060,029	17,491	8,045
First Central	1,384,960	1,995,000	-	-
Frontier	52,828,633	30,888,426	46,723	526
Group Council	1,901,968	3,054,698	(1)	27
HRINY	19,298,944	1,750,849	7,953	39,245
Ideal	84,514,991	123,548,517	9,109	86,051
Inscorp	16,955,627	17,838,162	8,043	(180)
Maidstone	22,983,727	-	90,479	-
Midland	500,740,202	111,995,081	340,900	20,258
PLICA	44,055,028	22,558,594	31,683	(767)
Touchstone	1,163,093	6,321,242	9,189	684
Union	33,354,401	23,369,487	25,342	1,326
TOTALS	<u>\$ 900,088,847</u>	<u>\$ 430,463,030</u>	<u>\$ 819,446</u>	<u>\$ 159,738</u>

Mortgage-Backed Securities

In 2020 and 2019, Management identified 214 and 146 mortgage-backed securities, respectively, with amortized costs of approximately \$74,889,697 and \$92,532,185, respectively. The mortgage-backed securities were carried at a fair market value of \$76,153,509 in 2020 and \$93,100,013 in 2019.

After reviewing these securities, Management has determined that, based on the information currently available to it, at December 31, 2020, there were no mortgage-backed securities with indirect subprime exposure.

Note 4: Fair Value Measurement

Included in various investment related line items are certain financial instruments carried at fair market value. The fair market value of an asset is the amount at which that instrument could be bought or sold in a current transaction between willing parties other than in a forced or liquidation sale.

THE DOMESTIC ESTATES IN LIQUIDATION
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Note 4: Fair Value Measurement (continued)

When available, the Combined Domestic Estates in Liquidation uses quoted market prices to determine the fair market values of aforementioned instruments. When quoted market prices are not readily available or representative of fair market value, pricing determinations are made based on the results of valuation models using observable market data such as recently reported trades, bid and offer information and benchmark securities. Unobservable inputs reflect Management's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement* ("Topic 820"), establishes a three-level fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value. The three-level hierarchy for fair value measurement is as follows:

Level 1 – Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.

Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3 – Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect Management's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

In certain cases, the inputs used to measure fair market value may fall into different levels of fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level that is significant to the fair value measurement. Management's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

Topic 820 also requires disclosures of any significant transfers in and out of Level 1 and Level 2 fair value measurements and a description of the reasons for the transfers; a reconciliation for fair value measurements using significant unobservable inputs (Level 3) with separate disclosure of purchases, sales, issuances, and settlements; and disclosure of the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements.

THE DOMESTIC ESTATES IN LIQUIDATION
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Note 4: Fair Value Measurement (continued)

The following table summarizes the invested assets carried at fair value or where fair value is disclosed using the fair value level hierarchy above as of December 31, 2020:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
As of December 31, 2020:				
Unrestricted Assets:				
U.S. Government	\$ -	\$ 290,831,391	\$ -	\$ 290,831,391
U.S. Agencies	-	16,878,028	-	16,878,028
Mortgage Backed Securities	-	76,153,059	-	76,153,059
Corporate Bonds	-	337,372,987	-	337,372,987
Restricted Assets:				
U.S. Government	-	556,024	-	556,024
Corporate Bonds	-	2,073,000	-	2,073,000
Total	<u>\$ -</u>	<u>\$ 723,864,489</u>	<u>\$ -</u>	<u>\$ 723,864,489</u>

The following table summarizes the invested assets carried at fair value or where fair value is disclosed using the fair value level hierarchy above as of December 31, 2019:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
As of December 31, 2019:				
Unrestricted Assets:				
U.S. Government	\$ -	\$ 273,136,057	\$ -	\$ 273,136,057
U.S. Government Agencies	-	38,930,077	-	38,930,077
Mortgage Backed Securities	-	93,100,013	-	93,100,013
Corporate Bonds	-	313,778,249	-	313,778,249
Restricted Assets:				
U.S. Government	-	146,042	-	146,042
Total	<u>\$ -</u>	<u>\$ 719,090,438</u>	<u>\$ -</u>	<u>\$ 719,090,438</u>

THE DOMESTIC ESTATES IN LIQUIDATION
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Note 4: Fair Value Measurement (continued)

Management used the following methods and assumptions in estimating the fair market value of financial instruments of the Combined Domestic Estates Financial Statements and notes thereto:

Fixed maturities: Fair values for investment securities are based on market prices quoted by third parties, if available. When market quotes are unavailable, Management's best estimate of fair market value is based on quoted market prices of financial instruments with similar characteristics, or on industry recognized valuation techniques. The Combined Domestic Estates investment securities are primarily valued using market inputs, including benchmark yields, reported trades, broker-dealer quotes, issuer spreads, benchmark securities, bids, offers and reference data. In addition, market indicators, industry and economic events are monitored and further market data is acquired if certain triggers are met. For certain security types, additional inputs may be used, or some of the inputs described above may not be applicable.

For broker-quoted only securities, quotes from market makers or broker-dealers are obtained from sources recognized to be market participants.

Real Estate and Buildings: The estimated fair value for real Estate and buildings is determined based on independent appraisals or purchase commitments.

Securities classified as Level 1 included primarily corporate bonds and common stocks. Unadjusted quoted prices for these securities are provided to the Domestic Estates in Liquidation by independent pricing services. There were no securities classified as Level 1 at 2020 and 2019.

Securities classified as Level 2 include primarily short-term investments, bonds, statutory deposits in New York or other states and other restricted assets. Quoted prices for these securities are provided to the Domestic Estates in Liquidation by independent pricing services.

THE DOMESTIC ESTATES IN LIQUIDATION
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Note 4: Fair Value Measurement (continued)

The following table summarizes changes to invested assets carried at fair market value and classified within Level 3 of the fair value hierarchy.

	<u>Beginning Balance January 1, 2020</u>	<u>Transfers at time of Liquidation</u>	<u>Realized Gains / (Losses)</u>	<u>Unrealized Gains / (Losses)</u>	<u>Issuances</u>	<u>Transfer to Non-New York Liquidator</u>	<u>Sales, Maturities, Settlements</u>	<u>Transfer In or Out of Level 3</u>	<u>Ending Balance December 31, 2020</u>
Assets:									
Real Estate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	-	-	-	-	-	-	-	-	-
Common stocks	-	1,195,446	(9,392)	-	-	-	(1,186,054)	-	-
Investment in subsidiaries	-	-	-	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ 1,195,446</u>	<u>\$ (9,392)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,186,054)</u>	<u>\$ -</u>	<u>\$ -</u>

There were no significant transfers into or transfers out of Level 1 or 2. There were no changes in valuation techniques during 2020 and 2019.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
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Note 5: Reinsurance

Prior to their liquidations, most Domestic Estates in Liquidation wrote insurance coverage on a direct basis (and assumed reinsurance, if applicable). Many of these policies and assumed reinsurance contracts were reinsured with other insurance or reinsurance companies in the ordinary course of business.

Reinsurance recoverables are based on treaty and facultative contracts providing pro-rata, excess of loss and catastrophic coverage. The NYLB seeks recovery from reinsurers for incurred losses that have been allowed by the Receivership Court and also seeks to commute outstanding reserves for unpaid losses.

The existence of a reinsurance contract covering a loss does not relieve the individual Estate of its obligation to the policyholders. The Estate continues to carry the liability for the loss on its financial statements. At the same time, the Estate carries the reinsurance recoverable for such a loss as an asset on its financial statements.

The NYLB establishes allowances for uncollectible reinsurance based on several factors, such as a reinsurer's payment history, aging of recoverables and solvency status of the reinsurance company. The NYLB, in accordance with section 7427 of the New York Insurance Law, allows mutual debts or mutual credits between insurer and reinsurer to be set off and the balance only shall be paid or allowed. Such set offs include ceded balances payable, assumed balances payable, funds withheld and letters of credit held on behalf of a reinsurer.

Note 6: HRINY Start-Up and Solvency Loans

The Affordable Care Act ("ACA") provided for federal loans to CO-OPs, such as HRINY, for start-up costs (to be repaid within five years) and to ensure solvency in accordance with state law (repayable in 15 years). In total, HRINY was awarded \$265.1 million.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
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Note 6: HRINY Start-Up and Solvency Loans (continued)

On February 17, 2012, CMS awarded HRINY \$23.6 million in start-up funds to be used for costs associated with setting up a health insurance company. Under HRINY's loan agreement with CMS, HRINY submitted a business plan that included milestones to be met for corresponding drawdowns of loan funds, which were disbursed in quarterly installments throughout 2012 and continuing until 2015. Repayment of the loan, which was carried at 0% interest, was due within five (5) years from the date of disbursement. As of December 31, 2020, HRINY had received \$23,600,400 in disbursements from CMS under this start-up loan.

As a result of the liquidation, none of the following originally scheduled repayments have been made:

Year ending December 31,	Amount
2017	\$ 10,338,700
2018	12,591,900
2019	183,200
2020	486,600
	\$ 23,600,400

On February 17, 2012, the HRINY entered into a loan agreement with CMS to provide a solvency loan of up to \$150,678,000 to provide statutory capital required to operate an insurance company in New York. On September 26, 2014, CMS approved an additional \$90,688,000 to the total available solvency funding. With the additional \$90,688,000, the total solvency funding amount was \$241,366,000. The repayment schedule of the solvency loan is as follows:

Year Ending December 31,	Amount of Loan
2021	\$ 6,050,242
2022	16,571,446
2023	30,170,750
2024	30,170,750
2025-2030	158,402,812
	\$ 241,366,000

The solvency loan amortization period begins 8 years after each disbursement period and ends 15 years thereafter. During that 8-year period, 8 equal, annual payments that include principal and interest are due each year based on the remaining unpaid principal balance.

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Note 6: HRINY Start-Up and Solvency Loans (continued)

The solvency loan had an interest rate of 0.37%. Prior to 2019, principal and interest are deferred. During 2019 through 2020, interest only payments are due. During 2021 through 2033, principal and interest payments are due. The scheduled payments were not made. In a letter dated May 4, 2017, CMS called the debts due under the solvency loan and the start-up loan as a present debt, rather than a debt payable under the repayment schedules.

The solvency loan is classified by the Liquidator as an allowed Class Eight claim. As reported below in Subsequent Events (Note 17), the start-up loan was paid in accordance with the Supervising Court's Order dated April 9, 2021, approving a Stipulation for Entry of Final Judgment between the Liquidator and the United States.

Note 7: HRINY Risk Sharing Provisions of the Affordable Care Act

As of January 1, 2014, the ACA created three interconnected risk management Programs intended to protect consumers by stabilizing premiums during the initial years of the law's implementation. Two of these Programs (Reinsurance and Risk Corridors) were temporary and the third Program (Risk Adjustment) was designed to protect against adverse selection in the reformed marketplace. Together, these three Programs commonly referred to as the 3Rs were intended to protect against the negative effects of adverse selection and risk selection, and also work to stabilize premiums. Each Program varies by the types of plans that participate, the level of government responsible for oversight, the criteria for charges and payments, the sources of funds, and the duration of the Program. The characteristics of each Program as it relates to HRINY are discussed below.

Amounts Recoverable from Federal Reinsurance (Reinsurance)

The temporary Federal Reinsurance Program was in effect from 2014 through 2016 and was designed to help health plans meet the needs of high-cost enrollees while making individual market premiums more affordable.

HRINY had amounts recoverable under the Reinsurance Program as of December 31, 2020 and 2019 in the amount of \$57,713,977 and \$51,736,709. CMS purported to set off the Reinsurance Recoverable against HRINY's liability under the Risk Adjustment Program.

Management has continued its efforts to challenge the set-off, but has established a non-collectability reserve in the amount of \$57,713,977 at December 31, 2020 and \$51,736,709 at December 31, 2019. The reserve is reviewed and adjusted as necessary and appropriate.

THE DOMESTIC ESTATES IN LIQUIDATION
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Note 8: Accrued Retrospective Premiums Receivable (Risk Corridors)

The ACA's temporary Risk Corridors Program was intended to discourage insurers from setting premiums high in response to uncertainty about who would enroll and what they will cost. The Program limited volatility in the individual and small group markets by mitigating extreme gains and losses for qualified health plans ("QHPs") or plans qualified to participate in the exchanges.

For each year of the Risk Corridors Program, QHPs and the federal government shared in the risk associated with the uncertainty of the new marketplace. If the amount QHP collected in premiums exceeded its medical expenses by a certain amount, the plan paid into the Risk Corridors Program. Conversely, if premiums fell short of this target, the Risk Corridors Program transferred a portion of this shortfall to QHP. The Risk Corridors Program is accounted for as premium adjustments for retrospectively rated contracts and totaled \$438,368,502 as of December 31, 2020 and \$445,134,282 as of December 31, 2019. In preparing the combined modified cash basis financial statements, Management makes estimates of amounts recoverable under the Accrued Retrospective Premiums Receivable Program. Although Management has continued its efforts to maximize collections of the retrospective premiums receivable, a reserve at December 31, 2020 and 2019 has been established in the amount of \$438,368,502 and \$445,134,282, respectively. The reserve is reviewed and adjusted as necessary and appropriate.

Risk Adjustment Payable

The Risk Adjustment Program was designed to protect against the risk of less healthy members of the public adversely certain QHP's and disproportionately affecting their loss experience. The Risk Adjustment Program accomplishes this by requiring plans with lower-risk enrollees to make payments to plans with higher-risk enrollees to offset costs. All non-grandfathered plans in the individual and small group market participated in the Risk Adjustment Program, whether or not they participated on the exchange. Premium adjustments pursuant to the Risk Adjustment Program are accounted for as premium subject to redetermination and user fees are accounted for as assessments. HRINY's risk adjustment payable balance of \$191,338,780 is unchanged from prior years and is included in Class Three – Federal Government Claims.

THE DOMESTIC ESTATES IN LIQUIDATION
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Note 9: HRINY Claims Unpaid and Claims Adjustment Expenses Unpaid

The following table discloses the change in Class II HRINY claims unpaid, net of reinsurance, for the period ended December 31, 2020:

Claims unpaid, as of December 31, 2019	\$ 217,956,237
Incurred claims – current period	-
Paid claims – current period	<u>-</u>
Claims unpaid, as of December 31, 2020	\$ 217,956,237

There were no changes in claims adjustment expenses unpaid, net of reinsurance, for the year ended December 31, 2020.

Note 10: Related-Party Transactions

For the years ended December 31, 2020 and 2019, NYLB personnel performed certain administrative and investment functions, such as accounting, data processing, human resources and treasury management, for the Combined Domestic Estates in Liquidation.

The Combined Domestic Estates in Liquidation paid or accrued expenses for such functions pursuant to the NYLB's policy of charging the intercompany accounts of each respective Domestic Estate in Liquidation for expenses paid by the NYLB on behalf of such Estate.

As of December 31, 2020 and 2019, the amounts remaining due to the NYLB are approximately \$1.4 million and \$2.0 million, respectively, and are included in Class One - Administrative Claims. During 2020 and 2019, the Combined Domestic Estates in Liquidation paid approximately \$16.0 million and \$14.1 million, respectively, of allocated expenses, detailed as follows:

	<u>2020</u>	<u>2019</u>
Salaries	\$ 5,656,858	\$ 5,570,694
Employee Relations & Welfare	3,862,574	4,274,413
Rent and Related Expenses	2,303,194	1,335,324
Professional Fees	2,833,674	2,252,415
General and Administrative	<u>1,306,247</u>	<u>682,740</u>
	<u>\$ 15,962,547</u>	<u>\$ 14,115,586</u>

THE DOMESTIC ESTATES IN LIQUIDATION
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Note 11: Expense Reimbursement

The NYLB manages the CDA which is a pooled cash account funded solely by cash advances from the Estates and/or Security Funds. Any excess funds in the CDA may be invested in overnight investment options, and Liquidity Direct, a facility that allows for the purchase of various U.S. Government related money market funds. The NYLB uses the money in the CDA to pay administrative expenses such as employee relations and welfare, payroll, rent and related expenses, and office expenses. Such administrative expenses are allocated on a monthly basis among the Domestic Estates in Liquidation, Security Funds, ancillary Estates, and fraternal associations.

Note 12: Asbestos and Environmental Reserves

A Major Policyholder is an insured with a substantial exposure to long-tail industry-wide tort claims such as Asbestos, Environmental and Product Liability claims. Three Estates, Midland, AMIC and Centennial, have exposure to Asbestos and Environmental claims. In establishing the liability for unpaid claims and claim adjustment expenses related to Asbestos, Environmental and Product claims on these Estates, Management considers facts currently known and the requirements of statutory and decisional law. Liabilities are recognized for known claims (including the cost of related litigation) when sufficient information has been developed to indicate the involvement of a specific insurance policy and Management can reasonably estimate the Estate's liability. Estimates of liabilities are updated as needed based on claim experience and legal requirements.

Management anticipates that, as more detailed information and documentation are received and reviewed regarding the claims in the Midland, AMIC and Centennial Estates, these reserves will be adjusted as needed.

THE DOMESTIC ESTATES IN LIQUIDATION
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Note 12: Asbestos and Environmental Reserves (continued)

As of December 31, 2020 and 2019, the reserves for Midland, AMIC, Centennial and the corresponding reinsurance, if any, are as follows and reported as a Class Two – Non-Allowed Liability:

	<u>2020</u>	<u>2019</u>
Midland		
Gross Reserves		
Asbestos	\$ 7,000,000	\$ 34,500,081
Total Gross Reserves	7,000,000	34,500,081
Less Ceded Reserves	(1,701,352)	(15,773,077)
Net Reserves	<u>\$ 5,298,648</u>	<u>\$ 18,727,004</u>
	<u>2020</u>	<u>2019</u>
AMIC		
Gross Reserves		
Asbestos	\$ 1,178,401	\$ 1,178,401
Total Gross Reserves	1,178,401	1,178,401
Less Ceded Reserves	-	-
Net Reserves	<u>\$ 1,178,401</u>	<u>\$ 1,178,401</u>
	<u>2020</u>	<u>2019</u>
Centennial		
Gross Reserves		
Asbestos	\$ 29,285,777	\$ -
Environmental	54	-
Product	11,517,936	45
Total Gross Reserves	40,803,767	45
Less Ceded Reserves	(31,086,414)	-
Net Reserves	<u>\$ 9,717,353</u>	<u>\$ 45</u>

The Midland gross reserves decreased in 2020, due to the settlement of a large Asbestos claim. This resulted in a corresponding decrease in ceded reserves. The remaining reserve of \$7,000,000 consists of two claims that were approved by the court in March 2021.

The Centennial Asbestos and Product Liability gross reserves increased in 2020, due to an assessment of potential exposure. Accordingly, there is a corresponding increase in ceded reserves recoverable.

The changes in Asbestos, Environmental and Product reserves are reported in Class Two – Claims and Related Costs Non-Allowed.

THE DOMESTIC ESTATES IN LIQUIDATION
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Note 13: Taxes

The Combined Domestic Estates in Liquidation are subject to federal income tax, but generally these Estates do not generate taxable income or tax liability due to offsets available from net operating loss (“NOL”) carry forwards.

The Combined Domestic Estates in Liquidation are subject to New York State franchise tax and Metropolitan Transit Authority local tax. Each Domestic Estate in Liquidation’s tax is generally calculated at the minimum because the Estates are in liquidation and do not generate taxable income.

At December 31, 2020, certain Domestic Estates in Liquidation had unused NOL carry-forwards available to offset against future taxable income as follows:

Estate	Year NOL Carry- forward Begins Expiring	NOL Carry-forward @ 12/31/19	New Estate Carryover	Expired NOL and Final Return	Taxable Income (Loss) for 2020	Section Reduction of (NOL) Form 982	NOL Carry- forward @ 12/31/2020
AMLI	2029	\$ (12,877,221)	\$ -	\$ -	\$ (82,103)	\$ -	\$ (12,959,324)
AMIC	2025	(651,749,668)	-	-	122,252	-	(651,627,416)
Atlantis Health Plans Inc.	2039	(615,240)	-	-	37,629	-	(577,611)
Centennial	2020	(303,806,748)	-	-	(41,369,303)	-	(345,176,051)
Cuatro, LLC	2031	(32,064,115)	-	-	(67,318)	174,575	(31,956,858)
Eveready	2034	(34,094,272)	-	-	(135,252)	-	(34,229,524)
Fiduciary	2034	(309,456,069)	-	-	(230,084)	21,264,098	(288,422,055)
First Central	2020	(94,381,011)	-	36,209,572	(104,398)	4,648,080	(52,371,931)
Frontier	2033	(76,043,015)	-	-	(3,333,031)	-	(79,376,046)
Group Council	2024	(344,231,094)	-	-	(20,993)	164,240	(344,087,847)
Ideal Mutual	2018	(352,387,287)	-	-	(4,347,744)	8,676,464	(348,058,567)
INSCORP	2024	(125,597,156)	-	-	(871,066)	1,934,620	(124,533,602)
Maidstone Insurance Co.		-	(24,389,568)	-	(4,494,247)	-	(28,883,815)
Midland Insurance	2024	(1,060,319,212)	-	-	5,047,413	1,024,843	(1,054,246,956)
PLICA	2034	(10,786,005)	-	-	(1,048,850)	-	(11,834,855)
Touchstone	2027	(62,781,969)	-	-	(456,827)	-	(63,238,796)
Union	2018	(468,411,337)	-	261,833,221	162,220	-	(206,415,896)
Totals		<u>\$ (3,939,601,419)</u>	<u>\$ (24,389,568)</u>	<u>\$ 298,042,793</u>	<u>\$ (51,191,702)</u>	<u>\$ 37,886,920</u>	<u>\$ (3,679,252,976)</u>
Valuation Allowance		<u>\$ 3,939,601,419</u>	<u>\$ 24,389,568</u>	<u>\$ (298,042,793)</u>	<u>\$ 51,191,702</u>	<u>\$ (37,886,920)</u>	<u>\$ 3,679,252,976</u>
Operating Loss Carry Forward, Net of Valuation Allowance		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

As of December 31, 2020, the Combined Domestic Estates in Liquidation have accumulated NOLs of approximately \$3.7 billion. Because the Estates are in liquidation, it is uncertain whether these NOLs will be utilized.

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Note 13: Taxes (continued)

CO-OPs qualify for federal tax exemption under Section 501(c)(29) of the Internal Revenue Code (“IRC”) provided the co-ops comply with the requirements in the ACA and the IRC and with the terms of any CO-OP loan agreement. HRINY applied for recognition of 501(c)(29) status and received such status in a determination letter from the IRS dated March 15, 2013. HRINY qualifies for federal tax exemption and files IRS Form 990.

Note 14: Employers’ Accounting for Defined Benefit Pension and Other Post-Employment Benefit Plans (“OPEB”)

The New York State Health Insurance Program (“NYSHIP”) offers a post-employment health insurance benefit to eligible retired employees. The NYLB participates in this program and eligible NYLB employees receive post-employment benefits through participating NYSHIP health insurance providers. Benefits include coverage secondary to Medicare and prescription drug benefits. Premiums are paid monthly by both the NYLB and the retired employees. In order to be eligible for the post-employment benefit, retirees must have fulfilled service requirements with participating employers as specified in the NYLB’s employee handbook.

As of December 31, 2020 and 2019, the Domestic Estates have accrued liabilities for post-employment benefit plans of approximately \$53.5 million and \$48.6 million. This liability is allocated among the Domestic Estates based on allocated salary attributable to each Estate.

Prior to 2018, the NYLB classified the total allocated OPEB liability for each estate as a Class One Administrative claim with the expectation that this total amount would be funded by the Estate at its closing and set aside by the NYLB for the payment of future OPEB liabilities. The Class One OPEB claim for each estate was the projected amount the estate would pay assuming it were to remain open indefinitely.

In 2018, the NYLB determined that it would classify OPEB liabilities as a Class One claim only with regard to the amount that the Estate was projected to pay on a pay-as-you-go basis prior to its closing. The balance of the OPEB liability is presented below the Total Combined Liabilities line on the accompanying balance sheet. This amount represents the portion of allocated OPEB liability that is expected to be paid after the close of the Estate. Upon closure of the Estate, this portion of the Estate’s OPEB liability remains unfunded and is removed from the Estate’s balance sheet. The unpaid amount will be calculated and reallocated among the remaining Estates at that time.

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Note 14: Employers’ Accounting for Defined Benefit Pension and Other Post-Employment Benefit Plans (“OPEB”) (continued)

The NYLB’s apportionment of OPEB liabilities as Class One and Other Post-Employment Benefit liabilities is based upon the best understanding of the projected lifespan of the Estate as of the date of the presented financial statements. Individual Estates may remain open for a period that is significantly shorter or longer than projected.

In 2020 and 2019, the OPEB liability in Class One totaled \$5,931,569 and \$6,202,632, respectively. The OPEB liabilities which are included as a separate line item, “Other Post-Employment Benefits”, totaled \$47,532,446 in 2020 and \$42,448,376 in 2019.

An independent actuarial firm conducted a valuation of the OPEB liability for the years ended December 31, 2020 and 2019, and reported its conclusions in reports dated February 1, 2021 and February 3, 2020, respectively (collectively, “Actuarial Reports”). Pursuant to the Actuarial Reports, discount rates of 2.25% and 3.00% were used for Benefit Obligations in 2020 and 2019, respectively, and 2.25% and 4.25% used for Net Benefit Cost in 2020 and 2019, respectively.

The OPEB liability which is included in liabilities on the Combined Statements of Assets, Liabilities, and Deficit of Assets over Liabilities – Modified Cash Basis is as follows:

	2020		2019
OPEB (Initial Accrual) as of January 1, 2020:	<u>\$ 51,388,435</u>	OPEB (Initial Accrual) as of January 1, 2019:	<u>\$ 43,855,185</u>
OPEB as of December 31, 2020:	<u>\$ 53,464,015</u>	OPEB as of December 31, 2019:	<u>\$ 48,651,008</u>
Net Periodic Benefit Cos for the fiscal year 2020:	<u>\$ 865,294</u>	Net Periodic Benefit Cost for the fiscal year 2019:	<u>\$ 632,540</u>

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 14: Employers' Accounting for Defined Benefit Pension and Other Post-Employment Benefit Plans ("OPEB") (continued)

The following presentation was extracted from the Actuarial Reports for the years ended December 31, 2020 and 2019:

Reconciliation of benefit obligation	Post-Employment Benefits	
	2020	2019
Obligation at beginning of year	\$ 51,091,275	\$ 43,855,185
Service cost including expenses	599,367	499,376
Interest cost	1,431,051	1,819,523
Actuarial loss / (gain)	2,470,261	4,487,829
Benefit payments and expected expenses	<u>(2,127,939)</u>	<u>(2,010,905)</u>
Obligation at end of year	<u>\$ 53,464,015</u>	<u>\$ 48,651,008</u>
Reconciliation of fair value of plan assets		
Fair value of plan assets at beginning of year	\$ -	\$ -
Employer contributions	2,140,234	2,010,905
Benefit payments and actual expenses	<u>(2,140,234)</u>	<u>(2,010,905)</u>
Fair value of plan assets at end of year	<u>-</u>	<u>-</u>
Unfunded status at end of year	<u>\$ 53,464,015</u>	<u>\$ 48,651,008</u>

Amounts recognized in unrestricted net assets consist of:

	Post-Employment Benefits	
	2020	2019
Transition asset/obligations	\$ -	\$ -
Prior service credit/cost	-	-
Gain	5,543,005	8,714,202
	<u>\$ 5,543,005</u>	<u>\$ 8,714,202</u>

Cash Flows

Expected Future OPEB Payments

The following OPEB payments, which reflect expected future service, are expected to be paid:

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 14: Employers’ Accounting for Defined Benefit Pension and Other Post-Employment Benefits “OPEB” (continued)

<u>Fiscal Year Ending:</u>	<u>OPEB Payment</u>
2021	\$ 1,906,870
2022	\$ 2,035,340
2023	\$ 2,126,528
2024	\$ 2,231,206
Years 2025-2029	\$ 14,410,189

Employee Retirement Plans

New York State and Local Employees’ Retirement System – Defined Benefit Plan

The New York State and Local Employees’ Retirement System (“Retirement System”) offers a variety of plans and benefits and provides retirement benefits based on years of service and the average of an employee’s highest three years’ salary. Other benefits include: vesting of retirement benefits, death and disability benefits, and optional methods of benefit payments. All NYLB employees must participate in the Retirement System. However, all NYLB employees hired *before* January 1, 2010 are required to contribute three percent of their salary annually until the employee achieves 10 years of membership. All NYLB employee hired between January 1, 2010 and April 1, 2012 are required to pay three percent of their annual salary until separation from service or retirement. All NYLB employees hired *after* April 1, 2012, are required to contribute three percent to six percent depending on their annual salary until separation from service or retirement. Active employees make contributions to the plan, as well as payments made by the NYLB based on an annual invoice which is calculated from the total salaries that were paid to NYLB employees as of the close of the previous New York State fiscal year.

New York State Deferred Compensation Plan – 457b

This is a voluntary retirement savings Program funded entirely by employee contributions. Employees are eligible to contribute to this Program as of their first day of employment with the NYLB. Through payroll deduction, participants may contribute from 1% to 25% of salary up to the specified annual maximum. Contributions are pre-tax for federal, state and local income tax purposes.

Note 15: Legal Matters, Commitments and Contingencies

After inquiry and review of the records of each Domestic Estate in Liquidation, Management, based on the information currently available to it, is unaware of any pending or threatened litigation or unasserted claim that Management reasonably believes will have a material adverse effect on the financial condition or the results of operations of the Combined Domestic Estates in Liquidation.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 16: Litigation Against Federal Government

HRINY was a not-for-profit CO-OP under the ACA and participated in several premium stabilization and financial assistance programs maintained by the United States government (the “Federal Government”) as part of the ACA. In the 2014 and 2105 benefit years, prior to its liquidation, HRINY participated in the ACA’s Risk Corridors, Reinsurance, Risk Adjustment, Advanced Premium Tax Credit and Cost-Sharing Reduction programs (“ACA Programs”). The Liquidator’s review of HRINY’s records shows that the Federal Government failed to pay balances owed to HRINY under the ACA Programs.

On September 1, 2017, the Liquidator, through counsel, filed a complaint against the Federal Government in the United States Court of Federal Claims (“Court of Claims”) under case number 17-1185C, seeking to recover over \$575 million owed to HRINY under the ACA Programs. The matter was stayed by the Court of Claims in October 2017, pending appeal of two other cases (Land of Lincoln Mutual Health Insurance Company v. United States and Moda Health Plan, Inc. v. United States), which had been recently decided in the Court of Claims and presented substantially similar issues involving the Risk Corridors Program.

The appeals were heard together in the United States Court of Appeals for the Federal Circuit and decided against the insurers. A petition for a *writ of certiorari* to the United State Supreme Court was subsequently granted on June 24, 2019, the cases were consolidated with a third matter, Maine Community Health Options v. United States, and oral argument was heard on December 10, 2019. On April 27, 2020, the Supreme Court issued a decision in favor of the insurers, holding that all amounts due under the ACA risk corridors program must be paid. On June 26, 2020, the Court of Claims continued the stay of proceeding and directed the parties to file periodic status reports informing the Court of the progress toward a resolution of the matter.

Note 17: Other Uncertainties

The extent of the impact of the coronavirus ("COVID-19") outbreak on the financial performance of NYLB’s investments will depend on future developments, including the duration and spread of the outbreak and related advisories and restrictions and the impact of COVID-19 on the financial markets and the overall economy, all of which are highly uncertain and cannot be predicted. If the financial markets and/or the overall economy are impacted for an extended period, NYLB’s investment results may be materially adversely affected.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 18: Subsequent Events

Subsequent events have been reviewed through July 19, 2021, the date which these audited Combined Domestic Estates Financial Statements were available to be issued. Management is aware of the following subsequent events that may have a material impact on the financial condition or results of operations of the Combined Domestic Estates in Liquidation.

HRINY Settlement with The United States

On April 9, 2021, the New York Supreme Court supervising the Health Republic liquidation signed an order approving a Stipulation for Entry of Final Judgment (“Stipulation”) between the Liquidator and the United States, which was then executed by the parties. The Stipulation provided that the United States would pay the Liquidator a net balance of \$220,838,583 (the “Judgment Amount”). The Stipulation also allows a Class Eight claim of the United States under the Solvency Loan in the amount of \$246,976,418.

On April 23, 2021, the United States Court of Federal Claims (“Court of Claims”) entered a judgment in favor of Health Republic for amounts due under the Risk Corridors program for benefit years 2014 and 2015. The Court of Claims also entered a judgment against Health Republic for monies due under the Risk Adjustment program, Risk Adjustment User Fees, the Start-up Loan, the CSR program and for accrued interest to be paid through deduction from the amount owed to Health Republic. The netting of the two judgments resulted in a positive balance in favor of Health Republic for the Judgment Amount.

On May 14, 2021, the United States paid Health Republic the Judgment Amount.

Reinsurance Collected

The amount of reinsurance collected for each Domestic Estate in Liquidation subsequent to December 31, 2020 is listed in the table below. This table represents all cash collected relating to reinsurance recoverable balances open at December 31, 2020 and billed and subsequently received through July 19, 2021.

THE DOMESTIC ESTATES IN LIQUIDATION
Notes to Combined Financial Statements of the Domestic Estates In Liquidation
- Modified Cash Basis
For the Years Ended December 31, 2020 and 2019

Note 18: Subsequent Events (continued)

<u>Domestic Estate in Liquidation</u>	<u>Collections of Reinsurance Recoverable on Paid Losses and LAE</u>
Ideal	\$ 6,500,000
Midland	3,606,298
AMIC	3,580,090
Centennial	1,556,082
Fiduciary	1,116,407
Inscorp	521,984
First Central	314,330
Total	<u>\$ 17,195,191</u>

Distributed Dividends

The following Domestic Estates in Liquidation made dividend distributions subsequent to December 31, 2020:

Ideal	\$ 46,177,966
PLICA	14,746,071
Midland	11,365,899
AMIC	1,258,342
Inscorp	111,753
Union	831
Total	<u>\$ 73,660,862</u>

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To the Superintendent of Financial Services of the State of New York as Receiver of the Combined Domestic Estates in Liquidation managed by the New York Liquidation Bureau and Management of the New York Liquidation Bureau

We have audited the combined statements of assets, liabilities and deficit of assets over liabilities – modified cash basis of the Combined Domestic Estates in Liquidation managed by the New York Liquidation Bureau as of December 31, 2020 and 2019, and the related combined statements of cash receipts and disbursements and changes in cash, cash equivalents and invested assets (unrestricted) – modified cash basis for each of the years then ended (collectively referred to as "Combined Domestic Estates Financial Statements"), and have issued our report thereon dated July 19, 2021, which expressed an unmodified opinion on those Combined Domestic Estates Financial Statements. Our audits were performed for the purpose of forming an opinion on the Combined Domestic Estates Financial Statements as a whole. The supplementary combining schedules of the Combined Domestic Estates in Liquidation's assets, liabilities and (deficit) surplus of assets over liabilities, - modified cash basis and cash receipts and disbursements and changes in cash, cash equivalents and invested assets (unrestricted) – modified cash basis as of and for the years ended December 31, 2020 and 2019 are presented for purposes of additional analysis and are not a required part of the Combined Domestic Estates Financial Statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the Combined Domestic Estates Financial Statements. The information has been subjected to the auditing procedures applied in the audits of the Combined Domestic Estates Financial Statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the Combined Domestic Estates Financial Statements or to the Combined Domestic Estates Financial Statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the Combined Domestic Estates Financial Statements as a whole.



EISNERAMPER LLP
Iselin, New Jersey
July 19, 2021



Supplementary Schedules
Appendix A
December 31, 2020 and 2019
The Domestic Estates in Liquidation
Combining Schedules of the Estates' Assets, Liabilities and (Deficit) Surplus of Assets Over
Liabilities, and Cash Receipts and Disbursements and Changes
in Cash, Cash Equivalents and Invested Assets (Unrestricted) – Modified Cash Basis

APPENDIX A

THE DOMESTIC ESTATES IN LIQUIDATION
 COMBINING SCHEDULES OF ESTATES' ASSETS - MODIFIED CASH BASIS
 AS OF DECEMBER 31, 2020 AND 2019

<u>Assets</u>	<u>AMERICAN MEDICAL</u>		<u>ATLANTIC MUTUAL</u>		<u>ATLANTIS HEALTH</u>		<u>CENTENNIAL</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Unrestricted Assets:								
Cash and Cash Equivalents	\$ 528,117	\$ 469,986	\$ 4,399,197	\$ 486,274	\$ 363,589	\$ 314,260	\$ 2,644,416	\$ 207,271
Investments								
Certificate of Deposit	-	-	-	-	-	-	-	-
Bonds, at fair market value	1,134,403	1,136,569	77,816,214	78,628,094	2,585,034	2,571,946	38,932,364	39,560,673
Total Investments	1,134,403	1,136,569	77,816,214	78,628,094	2,585,034	2,571,946	38,932,364	39,560,673
Total Cash, Cash Equivalents and Investments	1,662,520	1,606,555	82,215,411	79,114,368	2,948,623	2,886,206	41,576,780	39,767,944
Other Invested Assets:								
Amounts Recoverable from Federal Reinsurance	-	-	-	-	-	-	-	-
Less: Reserve for Retrospective Premiums Receivable	-	-	-	-	-	-	-	-
Net Amount Recoverable from Federal Reinsurance	-	-	-	-	-	-	-	-
Accrued Retrospective Premiums Receivable-Risk Corridors	-	-	-	-	-	-	-	-
Less: Reserve for Retrospective Premiums Receivable	-	-	-	-	-	-	-	-
Net Accrued Retrospective Premiums Receivable	-	-	-	-	-	-	-	-
Total Cash, Cash Equivalents, Investments and Other Invested Assets (unrestricted)	1,662,520	1,606,555	82,215,411	79,114,368	2,948,623	2,886,206	41,576,780	39,767,944
Reinsurance Recoverables on Paid Losses and LAE	-	-	14,713,132	15,902,159	-	-	5,604,139	6,138,806
Less: Allowance for Uncollectible Reinsurance Recoverables	-	-	(10,614,039)	(12,311,471)	-	-	(3,474,075)	(3,711,105)
Net Reinsurance Recoverables on Paid Losses and LAE	-	-	4,099,093	3,590,688	-	-	2,130,064	2,427,701
Reinsurance Recoverables on Unpaid Losses and LAE	-	-	14,881,311	18,083,942	-	-	17,164,614	18,903,881
Less: Allowance for Uncollectible Reinsurance Recoverables	-	-	(7,282,273)	(9,921,328)	-	-	(10,752,930)	(11,075,410)
Net Reinsurance Recoverables on Unpaid Losses and LAE	-	-	7,599,038	8,162,614	-	-	6,411,684	7,828,471
Receivables from Others	-	-	-	-	-	-	-	-
Accrued Investment Income	2,867	8,274	326,975	349,291	12,536	11,175	138,279	147,585
Other Assets	12,855	12,855	242,098	242,098	-	-	112,463	112,463
Receivable from CMS	-	-	-	-	-	-	-	-
Allowance for uncollectible receivable from CMS	-	-	-	-	-	-	-	-
Net Receivable from CMS	-	-	-	-	-	-	-	-
Total Unrestricted Assets	1,678,242	1,627,684	94,482,615	91,459,059	2,961,159	2,897,381	50,369,270	50,284,164
Restricted Assets:								
Statutory Deposits in New York or Other States	134,826	292,215	4,795,450	4,918,881	-	-	3,787,928	3,779,660
Other Restricted Assets	-	-	3,108,901	15,501,075	-	-	801,301	1,002,575
Total Restricted Assets	134,826	292,215	7,904,351	20,419,956	-	-	4,589,229	4,782,235
Total Assets	\$ 1,813,068	\$ 1,919,899	\$ 102,386,966	\$ 111,879,015	\$ 2,961,159	\$ 2,897,381	\$ 54,958,499	\$ 55,066,399

APPENDIX A

**THE DOMESTIC ESTATES IN LIQUIDATION
COMBINING SCHEDULES OF ESTATES' ASSETS - MODIFIED CASH BASIS
AS OF DECEMBER 31, 2020 AND 2019**

<u>Assets</u>	<u>CUATRO</u>		<u>EVEREADY</u>		<u>FIDUCIARY</u>		<u>FIRST CENTRAL</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Unrestricted Assets:								
Cash and Cash Equivalents	\$ 219,071	\$ 256,783	\$ 127,118	\$ 162,584	\$ 1,807,722	\$ 99,722	\$ 603,525	\$ 394,177
Investments								
Certificate of Deposit	-	-	-	-	-	-	-	-
Bonds, at fair market value	4,324,973	4,351,739	331,270	325,068	39,329,247	33,898,482	2,007,779	1,994,301
Total Investments	4,324,973	4,351,739	331,270	325,068	39,329,247	33,898,482	2,007,779	1,994,301
Total Cash, Cash Equivalents and Investments	4,544,044	4,608,522	458,388	487,652	41,136,969	33,998,204	2,611,304	2,388,478
Other Invested Assets:								
Amounts Recoverable from Federal Reinsurance	-	-	-	-	-	-	-	-
Less: Reserve for Retrospective Premiums Receivable	-	-	-	-	-	-	-	-
Net Amount Recoverable from Federal Reinsurance	-	-	-	-	-	-	-	-
Accrued Retrospective Premiums Receivable-Risk Corridors	-	-	-	-	-	-	-	-
Less: Reserve for Retrospective Premiums Receivable	-	-	-	-	-	-	-	-
Net Accrued Retrospective Premiums Receivable	-	-	-	-	-	-	-	-
Total Cash, Cash Equivalents, Investments and Other Invested Assets (unrestricted)	4,544,044	4,608,522	458,388	487,652	41,136,969	33,998,204	2,611,304	2,388,478
Reinsurance Recoverables on Paid Losses and LAE	-	-	-	-	16,414,950	11,038,686	300,909	55,689
Less: Allowance for Uncollectible Reinsurance Recoverables	-	-	-	-	(15,712,464)	(10,747,428)	-	-
Net Reinsurance Recoverables on Paid Losses and LAE	-	-	-	-	702,486	291,258	300,909	55,689
Reinsurance Recoverables on Unpaid Losses and LAE	-	-	-	-	14,022,409	20,191,628	3,852,390	4,318,697
Less: Allowance for Uncollectible Reinsurance Recoverables	-	-	-	-	(12,545,761)	(17,839,530)	-	-
Net Reinsurance Recoverables on Unpaid Losses and LAE	-	-	-	-	1,476,648	2,352,098	3,852,390	4,318,697
Receivables from Others	-	-	-	-	-	-	-	-
Accrued Investment Income	17,569	17,548	-	-	77,750	144,647	10,385	1,211
Other Assets	-	25,000	-	-	434,404	434,404	1	1
Receivable from CMS	125,683	125,683	-	-	-	-	-	-
Allowance for uncollectible receivable from CMS	(125,683)	(125,683)	-	-	-	-	-	-
Net Receivable from CMS	-	-	-	-	-	-	-	-
Total Unrestricted Assets	4,561,613	4,651,070	458,388	487,652	43,828,257	37,220,611	6,774,989	6,764,076
Restricted Assets:								
Statutory Deposits in New York or Other States	-	-	-	-	-	-	-	-
Other Restricted Assets	25,357	25,357	-	-	-	-	-	-
Total Restricted Assets	25,357	25,357	-	-	-	-	-	-
Total Assets	\$ 4,586,970	\$ 4,676,427	\$ 458,388	\$ 487,652	\$ 43,828,257	\$ 37,220,611	\$ 6,774,989	\$ 6,764,076

APPENDIX A

**THE DOMESTIC ESTATES IN LIQUIDATION
COMBINING SCHEDULES OF ESTATES' ASSETS - MODIFIED CASH BASIS
AS OF DECEMBER 31, 2020 AND 2019**

<u>Assets</u>	<u>FRONTIER</u>		<u>GROUP COUNCIL</u>		<u>HEALTH REUBLIC</u>		<u>IDEAL MUTUAL</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Unrestricted Assets:								
Cash and Cash Equivalents	\$ 2,839,856	\$ 272,801	\$ 431,766	\$ 118,851	\$ 1,036,362	\$ 697,535	\$ 1,368,893	\$ 324,583
Investments								
Certificate of Deposit	-	-	-	-	-	-	-	-
Bonds, at fair market value	32,367,277	32,932,888	1,163,345	1,498,619	41,884,479	40,640,675	48,218,616	50,029,609
Total Investments	32,367,277	32,932,888	1,163,345	1,498,619	41,884,479	40,640,675	48,218,616	50,029,609
Total Cash, Cash Equivalents and Investments	35,207,133	33,205,689	1,595,111	1,617,470	42,920,841	41,338,210	49,587,509	50,354,192
Other Invested Assets:								
Amounts Recoverable from Federal Reinsurance	-	-	-	-	57,713,977	51,736,710	-	-
Less: Reserve for Retrospective Premiums Receivable	-	-	-	-	(57,713,977)	(51,736,710)	-	-
Net Amount Recoverable from Federal Reinsurance	-	-	-	-	-	-	-	-
Accrued Retrospective Premiums Receivable-Risk Corridors	-	-	-	-	438,368,502	445,134,282	-	-
Less: Reserve for Retrospective Premiums Receivable	-	-	-	-	(438,368,502)	(445,134,282)	-	-
Net Accrued Retrospective Premiums Receivable	-	-	-	-	-	-	-	-
Total Cash, Cash Equivalents, Investments and Other Invested Assets (unrestricted)	35,207,133	33,205,689	1,595,111	1,617,470	42,920,841	41,338,210	49,587,509	50,354,192
Reinsurance Recoverables on Paid Losses and LAE	1,831,879	1,922,494	23,008,616	23,008,616	-	-	42,301,708	35,434,559
Less: Allowance for Uncollectible Reinsurance Recoverables	(1,344,886)	(1,336,982)	(23,008,616)	(23,008,616)	-	-	(35,438,307)	(33,059,744)
Net Reinsurance Recoverables on Paid Losses and LAE	486,993	585,512	-	-	-	-	6,863,401	2,374,815
Reinsurance Recoverables on Unpaid Losses and LAE	1,919,139	4,887,376	-	-	-	-	4,634,284	4,816,968
Less: Allowance for Uncollectible Reinsurance Recoverables	(699,142)	(2,183,261)	-	-	-	-	(1,633,751)	(3,754,065)
Net Reinsurance Recoverables on Unpaid Losses and LAE	1,219,997	2,704,115	-	-	-	-	3,000,533	1,062,903
Receivables from Others	-	-	-	-	-	-	500,000	500,000
Accrued Investment Income	78,723	117,145	1	1,923	173,081	185,481	143,900	55,785
Other Assets	-	-	-	-	-	368,964	-	-
Receivable from CMS	-	-	-	-	-	-	-	-
Allowance for uncollectible receivable from CMS	-	-	-	-	-	-	-	-
Net Receivable from CMS	-	-	-	-	-	-	-	-
Total Unrestricted Assets	36,992,846	36,612,461	1,595,112	1,619,393	43,093,922	41,892,655	60,095,343	54,347,695
Restricted Assets:								
Statutory Deposits in New York or Other States	1,218,034	1,445,338	-	-	-	-	-	-
Other Restricted Assets	1,717,198	1,714,896	-	-	-	-	304,505	361,397
Total Restricted Assets	2,935,232	3,160,234	-	-	-	-	304,505	361,397
Total Assets	\$ 39,928,078	\$ 39,772,695	\$ 1,595,112	\$ 1,619,393	\$ 43,093,922	\$ 41,892,655	\$ 60,399,848	\$ 54,709,092

APPENDIX A

**THE DOMESTIC ESTATES IN LIQUIDATION
COMBINING SCHEDULES OF ESTATES' ASSETS - MODIFIED CASH BASIS
AS OF DECEMBER 31, 2020 AND 2019**

<u>Assets</u>	<u>INSCORP</u>		<u>MAIDSTONE</u>		<u>MIDLAND</u>		<u>PLICA</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Unrestricted Assets:								
Cash and Cash Equivalents	\$ 823,430	\$ 125,800	\$ 593,252	\$ -	\$ 13,543,357	\$ 626,643	\$ 14,839,806	\$ 321,422
Investments								
Certificate of Deposit	-	-	-	-	-	-	-	-
Bonds, at fair market value	13,879,558	14,230,388	22,751,790	-	366,932,074	374,570,648	-	14,428,966
Total Investments	13,879,558	14,230,388	22,751,790	-	366,932,074	374,570,648	-	14,428,966
Total Cash, Cash Equivalents and Investments	14,702,988	14,356,188	23,345,042	-	380,475,431	375,197,291	14,839,806	14,750,388
Other Invested Assets:								
Amounts Recoverable from Federal Reinsurance	-	-	-	-	-	-	-	-
Less: Reserve for Retrospective Premiums Receivable	-	-	-	-	-	-	-	-
Net Amount Recoverable from Federal Reinsurance	-	-	-	-	-	-	-	-
Accrued Retrospective Premiums Receivable-Risk Corridors	-	-	-	-	-	-	-	-
Less: Reserve for Retrospective Premiums Receivable	-	-	-	-	-	-	-	-
Net Accrued Retrospective Premiums Receivable	-	-	-	-	-	-	-	-
Total Cash, Cash Equivalents, Investments and Other Invested Assets (unrestricted)	14,702,988	14,356,188	23,345,042	-	380,475,431	375,197,291	14,839,806	14,750,388
Reinsurance Recoverables on Paid Losses and LAE	14,493,643	15,593,543	-	-	82,887,658	80,218,597	-	-
Less: Allowance for Uncollectible Reinsurance Recoverables	(13,237,353)	(14,588,691)	-	-	(72,857,462)	(69,522,542)	-	-
Net Reinsurance Recoverables on Paid Losses and LAE	1,256,290	1,004,852	-	-	10,030,196	10,696,055	-	-
Reinsurance Recoverables on Unpaid Losses and LAE	103,994	103,994	-	-	9,123,656	17,938,428	-	-
Less: Allowance for Uncollectible Reinsurance Recoverables	(103,994)	(103,994)	-	-	(8,294,127)	(11,393,271)	-	-
Net Reinsurance Recoverables on Unpaid Losses and LAE	-	-	-	-	829,529	6,545,157	-	-
Receivables from Others	250,000	250,000	-	-	3,000,000	3,000,000	-	-
Accrued Investment Income	60,404	62,270	81,165	-	766,979	1,442,614	123	43,936
Other Assets	-	-	229,363	-	-	-	-	-
Receivable from CMS	-	-	-	-	-	-	-	-
Allowance for uncollectible receivable from CMS	-	-	-	-	-	-	-	-
Net Receivable from CMS	-	-	-	-	-	-	-	-
Total Unrestricted Assets	16,269,682	15,673,310	23,655,570	-	395,102,135	396,881,117	14,839,929	14,794,324
Restricted Assets:								
Statutory Deposits in New York or Other States	106,289	105,662	858,402	-	-	-	-	-
Other Restricted Assets	1,527,347	1,669,666	2,500,321	-	1,043,350	1,057,981	-	-
Total Restricted Assets	1,633,636	1,775,328	3,358,723	-	1,043,350	1,057,981	-	-
Total Assets	\$ 17,903,318	\$ 17,448,638	\$ 27,014,293	\$ -	\$ 396,145,485	\$ 397,939,098	\$ 14,839,929	\$ 14,794,324

APPENDIX A

**THE DOMESTIC ESTATES IN LIQUIDATION
COMBINING SCHEDULES OF ESTATES' ASSETS - MODIFIED CASH BASIS
AS OF DECEMBER 31, 2020 AND 2019**

<u>Assets</u>	<u>TOUCHSTONE</u>		<u>UNION INDEMNITY</u>		<u>CLOSED ESTATES</u>		<u>ESTATE TOTALS</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Unrestricted Assets:								
Cash and Cash Equivalents	\$ 207,499	\$ 89,835	\$ 1,098,409	\$ 724,297	\$ -	\$ -	\$ 47,475,385	\$ 5,692,824
Investments								
Certificate of Deposit	-	-	-	-	-	-	-	-
Bonds, at fair market value	5,248,324	5,812,489	22,328,718	22,333,242	-	-	721,235,465	718,944,396
Total Investments	5,248,324	5,812,489	22,328,718	22,333,242	-	-	721,235,465	718,944,396
Total Cash, Cash Equivalents and Investments	5,455,823	5,902,324	23,427,127	23,057,539	-	-	768,710,850	724,637,220
Other Invested Assets:								
Amounts Recoverable from Federal Reinsurance	-	-	-	-	-	-	57,713,977	51,736,709
Less: Reserve for Retrospective Premiums Receivable	-	-	-	-	-	-	(57,713,977)	(51,736,709)
Net Amount Recoverable from Federal Reinsurance	-	-	-	-	-	-	-	-
Accrued Retrospective Premiums Receivable-Risk Corridors	-	-	-	-	-	-	438,368,502	445,134,282
Less: Reserve for Retrospective Premiums Receivable	-	-	-	-	-	-	(438,368,502)	(445,134,282)
Net Accrued Retrospective Premiums Receivable	-	-	-	-	-	-	-	-
Total Cash, Cash Equivalents, Investments and Other Invested Assets (unrestricted)	5,455,823	5,902,324	23,427,127	23,057,539	-	-	768,710,850	724,637,220
Reinsurance Recoverables on Paid Losses and LAE	-	-	9,019,023	9,019,023	-	1,725,446	210,575,657	200,057,618
Less: Allowance for Uncollectible Reinsurance Recoverables	-	-	(9,019,023)	(9,019,023)	-	(1,725,446)	(184,706,225)	(179,031,048)
Net Reinsurance Recoverables on Paid Losses and LAE	-	-	-	-	-	-	25,869,432	21,026,570
Reinsurance Recoverables on Unpaid Losses and LAE	-	-	-	-	-	123,981	65,701,797	89,368,895
Less: Allowance for Uncollectible Reinsurance Recoverables	-	-	-	-	-	(123,981)	(41,311,978)	(56,394,840)
Net Reinsurance Recoverables on Unpaid Losses and LAE	-	-	-	-	-	-	24,389,819	32,974,055
Receivables from Others	-	-	400,000	400,000	-	-	4,150,000	4,150,000
Accrued Investment Income	25,737	30,748	48,124	72,950	-	-	1,964,598	2,692,583
Other Assets	-	-	-	-	-	-	1,031,184	1,195,785
Receivable from CMS	-	-	-	-	-	-	125,683	125,683
Allowance for uncollectible receivable from CMS	-	-	-	-	-	-	(125,683)	(125,683)
Net Receivable from CMS	-	-	-	-	-	-	-	-
Total Unrestricted Assets	5,481,560	5,933,072	23,875,251	23,530,489	-	-	826,115,883	786,676,213
Restricted Assets:								
Statutory Deposits in New York or Other States	-	-	-	-	-	-	10,900,929	10,541,756
Other Restricted Assets	-	-	3,131,057	3,154,733	-	-	14,159,337	24,487,680
Total Restricted Assets	-	-	3,131,057	3,154,733	-	-	25,060,266	35,029,436
Total Assets	\$ 5,481,560	\$ 5,933,072	\$ 27,006,308	\$ 26,685,222	\$ -	\$ -	\$ 851,176,149	\$ 821,705,649

APPENDIX A

THE DOMESTIC ESTATES IN LIQUIDATION

COMBINING SCHEDULES OF THE ESTATES' LIABILITIES AND (DEFICIT) SURPLUS OF ASSETS OVER

LIABILITIES - MODIFIED CASH BASIS

AS OF DECEMBER 31, 2020 AND 2019

<u>Liabilities</u>	<u>AMERICAN MEDICAL</u>		<u>ATLANTIC MUTUAL</u>		<u>ATLANTIS HEALTH</u>		<u>CENTENNIAL</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Secured Claims	\$ -	\$ -	\$ 3,691,240	\$ 16,083,413	\$ -	\$ -	\$ 1,062,851	\$ 1,264,125
Class I - Administrative Claims	27,227	20,126	691,066	893,221	912	3,241	423,978	544,736
Class II - Claims and Related Costs:								
Allowed	124,405	18,387	83,865,178	79,886,973	-	-	61,113,853	59,679,950
Non Allowed	-	106,018	152,337,201	166,658,631	400,000	400,000	135,640,083	96,170,081
Total Class II - Claims and Related Costs	124,405	124,405	236,202,379	246,545,604	400,000	400,000	196,753,936	155,850,031
Class III - Federal Government Claims	-	-	39,444,431	39,444,431	7,627,354	7,627,354	6,839,598	6,839,598
Class IV - Employee Claims	2,400	2,400	-	-	-	-	-	-
Class V - State and Local Government Claims	382,399	300,142	3,590,299	3,679,120	2,892,344	2,892,344	2,493,926	2,493,926
Class VI - General Creditor Claims	1,728,054	1,728,054	7,018,868	7,748,262	384,346	384,346	5,401,559	5,273,016
Class VII - Late Filed Claims	-	-	10,000	10,000	-	-	500,000	500,000
Class VIII - Section 1307 (Shareholder) Loans	-	-	159,398,946	159,398,946	-	-	-	-
Class IX - Shareholder Claims	5,000,000	5,000,000	-	-	-	-	-	-
Total Liabilities	7,264,485	7,175,127	450,047,229	473,802,997	11,304,956	11,307,285	213,475,848	172,765,432
Defined Benefit Pension and Other Post-retirement Plan	115,009	94,391	3,797,027	3,040,721	6,490	4,268	2,380,856	1,910,037
(Deficit) Surplus of Assets over Liabilities	(5,566,426)	(5,349,619)	(351,457,290)	(364,964,703)	(8,350,287)	(8,414,172)	(160,898,205)	(119,609,070)
Total Liabilities and (Deficit) Surplus of Assets over Liabilities	\$ 1,813,068	\$ 1,919,899	\$ 102,386,966	\$ 111,879,015	\$ 2,961,159	\$ 2,897,381	\$ 54,958,499	\$ 55,066,399

APPENDIX A
THE DOMESTIC ESTATES IN LIQUIDATION
COMBINING SCHEDULES OF THE ESTATES' LIABILITIES AND (DEFICIT) SURPLUS OF ASSETS OVER
LIABILITIES - MODIFIED CASH BASIS
AS OF DECEMBER 31, 2020 AND 2019

<u>Liabilities</u>	<u>CUATRO</u>		<u>EVEREADY</u>		<u>FIDUCIARY</u>		<u>FIRST CENTRAL</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Secured Claims	\$ 25,357	\$ 25,357	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class I - Administrative Claims	11,198	47,488	6,440	12,494	191,288	369,949	13,078	3,929
Class II - Claims and Related Costs:								
Allowed	-	-	13,120,622	13,120,622	52,191,692	29,681,020	78,780,220	78,780,220
Non Allowed	11,056,588	11,231,673	9,472,848	9,593,517	100,680,477	137,643,137	-	-
Total Class II - Claims and Related Costs	11,056,588	11,231,673	22,593,470	22,714,139	152,872,169	167,324,157	78,780,220	78,780,220
Class III - Federal Government Claims	284,026	284,026	5,857	5,857	-	-	-	-
Class IV - Employee Claims	-	-	-	-	1,200	1,200	-	-
Class V - State and Local Government Claims	511	-	573,094	573,094	1,832,190	1,832,190	954,215	874,434
Class VI - General Creditor Claims	2,801,094	2,801,094	955,681	955,681	581,140	581,140	1,763,389	1,763,389
Class VII - Late Filed Claims	-	-	-	-	-	-	-	-
Class VIII - Section 1307 (Shareholder) Loans	-	-	-	-	992,197	992,197	-	-
Class IX - Shareholder Claims	-	-	-	-	-	-	1	1
Total Liabilities	14,178,774	14,389,638	24,134,542	24,261,265	156,470,184	171,100,833	81,510,903	81,421,973
Defined Benefit Pension and Other Post-retirement Plan	126,593	106,522	164,758	150,771	769,541	602,114	-	-
(Deficit) Surplus of Assets over Liabilities	(9,718,397)	(9,819,733)	(23,840,912)	(23,924,384)	(113,411,468)	(134,482,336)	(74,735,914)	(74,657,897)
Total Liabilities and (Deficit) Surplus of Assets over Liabilities	\$ 4,586,970	\$ 4,676,427	\$ 458,388	\$ 487,652	\$ 43,828,257	\$ 37,220,611	\$ 6,774,989	\$ 6,764,076

APPENDIX A
THE DOMESTIC ESTATES IN LIQUIDATION
COMBINING SCHEDULES OF THE ESTATES' LIABILITIES AND (DEFICIT) SURPLUS OF ASSETS OVER
LIABILITIES - MODIFIED CASH BASIS
AS OF DECEMBER 31, 2020 AND 2019

<u>Liabilities</u>	<u>FRONTIER</u>		<u>GROUP COUNCIL</u>		<u>HEALTH REUPUBLIC</u>		<u>IDEAL MUTUAL</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Secured Claims	\$ 1,717,198	\$ 1,714,896	\$ -	\$ -	\$ -	\$ -	\$ 275,043	\$ 275,043
Class I - Administrative Claims	998,900	1,157,054	22,282	46,830	88,960	88,573	1,069,789	994,400
Class II - Claims and Related Costs:								
Allowed	150,608,273	149,910,499	244,862,538	244,862,538	217,956,237	217,956,237	262,664,315	262,571,857
Non Allowed	40,837,522	42,437,057	5,249,406	5,413,647	-	-	22,549,753	23,832,506
Total Class II - Claims and Related Costs	191,445,795	192,347,556	250,111,944	250,276,185	217,956,237	217,956,237	285,214,068	286,404,363
Class III - Federal Government Claims	-	-	-	-	284,039,212	198,271,869	-	-
Class IV - Employee Claims	-	-	4,425	4,425	-	-	-	-
Class V - State and Local Government Claims	10,060,199	10,060,199	23,160	23,160	19,159,690	19,159,690	280,887	280,887
Class VI - General Creditor Claims	22,637,660	18,494,517	56,202,748	56,202,748	5,627,157	5,627,157	54,947,105	52,589,503
Class VII - Late Filed Claims	9	9	-	-	-	-	70,902,912	70,902,912
Class VIII - Section 1307 (Shareholder) Loans	-	-	-	-	246,976,418	264,966,400	-	-
Class IX - Shareholder Claims	10,584	10,584	-	-	-	-	-	-
Total Liabilities	226,870,345	223,784,815	306,364,559	306,553,348	773,847,674	706,069,926	412,689,804	411,447,108
Defined Benefit Pension and Other Post-retirement Plan	3,735,552	3,187,393	584,338	516,059	649,010	532,124	9,877,248	8,913,664
(Deficit) Surplus of Assets over Liabilities	(190,677,819)	(187,199,513)	(305,353,785)	(305,450,014)	(731,402,762)	(664,709,395)	(362,167,204)	(365,651,680)
Total Liabilities and (Deficit) Surplus of Assets over Liabilities	\$ 39,928,078	\$ 39,772,695	\$ 1,595,112	\$ 1,619,393	\$ 43,093,922	\$ 41,892,655	\$ 60,399,848	\$ 54,709,092

APPENDIX A
THE DOMESTIC ESTATES IN LIQUIDATION
COMBINING SCHEDULES OF THE ESTATES' LIABILITIES AND (DEFICIT) SURPLUS OF ASSETS OVER
LIABILITIES - MODIFIED CASH BASIS
AS OF DECEMBER 31, 2020 AND 2019

<u>Liabilities</u>	<u>INSCORP</u>		<u>MAIDSTONE</u>		<u>MIDLAND</u>		<u>PLICA</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Secured Claims	\$ 559,766	\$ 702,086	\$ 532,052	\$ -	\$ 1,013,896	\$ 1,013,448	\$ -	\$ -
Class I - Administrative Claims	299,519	260,131	201,693	-	3,433,315	3,631,709	3,858	46,530
Class II - Claims and Related Costs:								
Allowed	13,262,222	13,258,562	-	-	1,321,226,236	1,279,709,565	200,000	200,000
Non Allowed	1,895,943	2,474,273	33,172,839	-	70,993,960	118,863,303	-	-
Total Class II - Claims and Related Costs	15,158,165	15,732,835	33,172,839	-	1,392,220,196	1,398,572,868	200,000	200,000
Class III - Federal Government Claims	-	-	-	-	-	-	-	-
Class IV - Employee Claims	-	-	-	-	-	-	-	-
Class V - State and Local Government Claims	1,516,794	1,516,794	234,785	-	8,317,575	8,317,575	59,395	59,395
Class VI - General Creditor Claims	66,836,211	66,841,791	262,830	-	96,221,422	99,182,637	126,101	126,101
Class VII - Late Filed Claims	-	-	-	-	169,550,639	169,550,639	-	-
Class VIII - Section 1307 (Shareholder) Loans	-	-	-	-	-	-	-	-
Class IX - Shareholder Claims	107,467,599	107,467,599	-	-	-	-	14,450,575	13,339,045
Total Liabilities	191,838,054	192,521,236	34,404,199	-	1,670,757,043	1,680,268,876	14,839,929	13,771,071
Defined Benefit Pension and Other Post-retirement Plan	2,576,100	2,227,195	184,339	-	17,884,809	16,104,931	-	1,023,253
(Deficit) Surplus of Assets over Liabilities	(176,510,836)	(177,299,793)	(7,574,245)	-	(1,292,496,367)	(1,298,434,709)	-	-
Total Liabilities and (Deficit) Surplus of Assets over Liabilities	\$ 17,903,318	\$ 17,448,638	\$ 27,014,293	\$ -	\$ 396,145,485	\$ 397,939,098	\$ 14,839,929	\$ 14,794,324

APPENDIX A
THE DOMESTIC ESTATES IN LIQUIDATION
COMBINING SCHEDULES OF THE ESTATES' LIABILITIES AND (DEFICIT) SURPLUS OF ASSETS OVER
LIABILITIES - MODIFIED CASH BASIS
AS OF DECEMBER 31, 2020 AND 2019

<u>Liabilities</u>	<u>TOUCHSTONE</u>		<u>UNION INDEMNITY</u>		<u>CLOSED ESTATES</u>		<u>ESTATE TOTALS</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Secured Claims	\$ -	\$ -	\$ 3,319,941	\$ 3,317,719	\$ -	\$ -	\$ 12,197,344	\$ 24,396,087
Class I - Administrative Claims	34,247	92,822	362,747	533,621	-	36	7,880,497	8,746,890
Class II - Claims and Related Costs:								
Allowed	-	-	177,385,250	177,383,863	-	82,729,608	2,677,361,041	2,689,749,901
Non Allowed	10,284,815	10,284,815	299,790	324,743	-	-	594,871,225	625,433,401
Total Class II - Claims and Related Costs	10,284,815	10,284,815	177,685,040	177,708,606	-	82,729,608	3,272,232,266	3,315,183,302
Class III - Federal Government Claims	-	-	137,245	137,245	-	-	338,377,723	252,610,380
Class IV - Employee Claims	-	-	-	-	-	2,616	8,025	10,641
Class V - State and Local Government Claims	4,110	4,110	71,337	71,337	-	61,013	52,446,910	52,199,410
Class VI - General Creditor Claims	7,158,996	7,158,996	96,134,819	96,106,546	-	16,824,615	426,789,180	440,389,593
Class VII - Late Filed Claims	-	-	68,826,987	68,826,987	-	401	309,790,547	309,790,948
Class VIII - Section 1307 (Shareholder) Loans	10,639,750	10,639,750	-	-	-	-	418,007,311	435,997,293
Class IX - Shareholder Claims	54,653,626	54,653,626	-	-	-	-	181,582,385	180,470,855
Total Liabilities	82,775,544	82,834,119	346,538,116	346,702,061	-	99,618,289	5,019,312,188	5,019,795,399
Defined Benefit Pension and Other Post-retirement Plan	239,589	159,895	4,426,387	3,875,038			47,517,646	42,448,376
(Deficit) Surplus of Assets over Liabilities	(77,533,573)	(77,060,942)	(323,958,195)	(323,891,877)	-	(99,618,289)	(4,215,653,685)	(4,240,538,126)
Total Liabilities and (Deficit) Surplus of Assets over Liabilities	\$ 5,481,560	\$ 5,933,072	\$ 27,006,308	\$ 26,685,222	\$ -	\$ -	\$ 851,176,149	\$ 821,705,649

APPENDIX A

**THE DOMESTIC ESTATES IN LIQUIDATION
CASH RECEIPTS AND DISBURSEMENTS AND CHANGES IN CASH, CASH EQUIVALENTS
AND INVESTED ASSETS (UNRESTRICTED) – MODIFIED CASH BASIS
AS OF DECEMBER 31, 2020 AND 2019**

	<u>AMERICAN MEDICAL</u>		<u>ATLANTIC MUTUAL</u>		<u>ATLANTIS HEALTH</u>		<u>CENTENNIAL</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Receipts:								
Net Investment Income Received	\$ 17,069	\$ 19,309	\$ 1,956,330	\$ 1,760,652	\$ 44,383	\$ 30,401	\$ 1,014,250	\$ 961,186
Reinsurance Recovered	-	-	3,095,841	321,475	-	-	1,868,115	273,001
Premiums Collected	-	-	-	-	-	-	-	-
Salvage and Subrogation Recoveries	-	-	5,057	11,876	-	-	8,232	82,390
Reimbursement from Central Disbursement Account	-	-	-	-	-	-	-	-
Release from Statutory Deposits	152,221	-	-	1,914,325	-	-	-	-
Litigation Awards	-	-	-	-	-	-	-	-
CMS Recoveries	-	-	-	-	-	-	-	-
Large Deductible	-	-	-	105,618	-	-	-	-
Transfer from Segregated Accounts	-	-	412,799	-	-	-	-	-
Pharmacy Receivables	1,055	-	-	-	-	-	-	-
Miscellaneous	-	102,090	3,095	19,315	171	26,698	2,300	443
Total Receipts	170,345	121,399	5,473,122	4,133,261	44,554	57,099	2,892,897	1,317,020
Disbursements:								
Distributions	-	-	-	1,319,773	-	-	-	-
Release of Funds to Non-New York Liquidator	-	-	-	-	-	-	-	-
Transfer to Segregated Accounts	-	-	251,463	-	-	-	-	-
Loss/Return Premiums	-	-	-	-	-	-	-	-
Loss Adjustment Expense	-	-	14,949	5,050	-	-	51,317	5,764
Reimbursement of Allocated Expenses:								
Salaries	32,475	78,329	1,035,170	775,246	7,404	11,258	640,971	634,865
Employee Relations & Welfare	26,258	63,669	675,098	601,828	-	-	415,676	501,822
Rent and Related Expenses	8,830	8,492	370,157	260,741	-	-	139,852	85,608
Professional Fees	38,186	37,310	173,546	94,126	2,029	13,474	107,640	80,711
General and Administrative Expenses	8,804	8,105	208,856	87,326	793	406	117,564	68,363
Large Deductible	-	-	266,952	-	-	-	-	-
Salvage and Subrogation Fees	-	-	-	333	-	-	334	12,648
Miscellaneous	582	6,275	31,439	121,370	549	5,260	16,293	82,215
Total Disbursements	115,135	202,180	3,027,630	3,265,793	10,775	30,398	1,489,647	1,471,996
Net Disbursements Over Receipts	55,210	(80,781)	2,445,492	867,468	33,779	26,701	1,403,250	(154,976)
Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Beginning of Year	1,606,555	1,686,969	79,114,368	76,961,171	2,886,206	-	39,767,944	39,114,182
Opening Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Balances of New Estates	-	-	-	-	-	2,847,825	-	-
Change in Unrealized Gain / (Loss) on Investments	755	367	655,551	1,285,729	28,638	11,680	405,586	808,738
Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), End of Period / Year	\$ 1,662,520	\$ 1,606,555	\$82,215,411	\$79,114,368	\$ 2,948,623	\$ 2,886,206	\$ 41,576,780	\$ 39,767,944

APPENDIX A

**THE DOMESTIC ESTATES IN LIQUIDATION
CASH RECEIPTS AND DISBURSEMENTS AND CHANGES IN CASH, CASH EQUIVALENTS
AND INVESTED ASSETS (UNRESTRICTED) – MODIFIED CASH BASIS
AS OF DECEMBER 31, 2020 AND 2019**

<u>Receipts:</u>	<u>CUATRO</u>		<u>EVEREADY</u>		<u>FIDUCIARY</u>		<u>FIRST CENTRAL</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Net Investment Income Received	\$ 53,588	\$ 67,143	\$ 8,121	\$ 8,762	\$ 628,361	\$ 703,400	\$ 22,178	\$ 13,693
Reinsurance Recovered	-	-	-	-	94,269	45,909	242,765	327,624
Premiums Collected	-	-	-	-	-	-	-	-
Salvage and Subrogation Recoveries	-	-	-	(7,610)	213,742	81,944	-	-
Reimbursement from Central Disbursement Account	-	-	-	-	-	-	-	-
Release from Statutory Deposits	-	-	-	-	-	-	-	-
Litigation Awards	-	-	-	-	7,000,000	-	-	-
CMS Recoveries	-	1,826,256	-	-	-	-	-	-
Large Deductible	-	-	-	-	-	-	-	-
Transfer from Segregated Accounts	-	-	-	-	-	-	-	-
Pharmacy Receivables	16,933	341,361	-	-	-	-	-	-
Miscellaneous	-	5,596	209	2,420	4,015	61,886	-	-
Total Receipts	70,521	2,240,356	8,330	3,572	7,940,387	893,139	264,943	341,317
Disbursements:								
Distributions	-	-	-	-	-	-	-	-
Release of Funds to Non-New York Liquidator	-	-	-	-	-	-	-	-
Transfer to Segregated Accounts	-	-	-	-	-	-	-	-
Loss/Return Premiums	-	-	-	-	-	-	-	-
Loss Adjustment Expense	-	-	300	-	-	-	-	-
Reimbursement of Allocated Expenses:								
Salaries	54,326	276,070	6,063	21,410	235,319	400,398	12,190	21,847
Employee Relations & Welfare	32,911	210,522	-	-	146,170	284,503	10,296	16,441
Rent and Related Expenses	12,344	22,789	880	860	185,179	140,636	3,881	2,176
Professional Fees	33,833	65,493	34,034	28,953	271,248	878,439	36,975	30,637
General and Administrative Expenses	8,519	28,956	347	595	104,945	119,579	4,670	2,897
Large Deductible	-	-	-	-	-	-	-	-
Salvage and Subrogation Fees	-	-	1,275	2,177	31,679	620	-	-
Miscellaneous	8,423	31,919	-	293	13,435	46,590	486	3,037
Total Disbursements	150,356	635,749	42,899	54,288	987,975	1,870,765	68,498	77,035
Net Disbursements Over Receipts	(79,835)	1,604,607	(34,569)	(50,716)	6,952,412	(977,626)	196,445	264,282
Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Beginning of Year	4,608,522	3,004,110	487,652	531,254	33,998,204	34,356,582	2,388,478	2,123,401
Opening Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Balances of New Estates	-	-	-	-	-	-	-	-
Change in Unrealized Gain / (Loss) on Investments	15,357	(195)	5,305	7,114	186,353	619,248	26,381	795
Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), End of Period / Year	\$ 4,544,044	\$ 4,608,522	\$ 458,388	\$ 487,652	\$41,136,969	\$ 33,998,204	\$ 2,611,304	\$ 2,388,478

APPENDIX A

**THE DOMESTIC ESTATES IN LIQUIDATION
CASH RECEIPTS AND DISBURSEMENTS AND CHANGES IN CASH, CASH EQUIVALENTS
AND INVESTED ASSETS (UNRESTRICTED) – MODIFIED CASH BASIS
AS OF DECEMBER 31, 2020 AND 2019**

	<u>FRONTIER</u>		<u>GROUP COUNCIL</u>		<u>HEALTH REPUBLIC</u>		<u>IDEAL MUTUAL</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Receipts:								
Net Investment Income Received	\$ 660,012	\$ 846,267	\$ 23,074	\$ 37,087	\$ 1,037,829	\$ 1,086,600	\$ 447,902	\$ 1,274,209
Reinsurance Recovered	1,989,000	646,991	-	-	-	-	87,333	3,252,183
Premiums Collected	6,473	7,872	-	-	-	-	-	-
Salvage and Subrogation Recoveries	9,924	3,793	-	-	-	-	-	-
Reimbursement from Central Disbursement Account	-	-	-	100,000	-	-	-	-
Release from Statutory Deposits	-	-	-	-	-	-	-	-
Litigation Awards	-	-	-	-	-	2,200,000	-	-
CMS Recoveries	-	-	-	-	-	-	-	-
Large Deductible	-	-	-	-	-	-	-	-
Transfer from Segregated Accounts	-	-	-	-	-	-	56,892	-
Pharmacy Receivables	-	-	-	-	-	452,694	-	-
Miscellaneous	30	15	-	207	-	31,043	-	-
Total Receipts	2,665,439	1,504,938	23,074	137,294	1,037,829	3,770,337	592,127	4,526,392
Disbursements:								
Distributions	-	-	-	-	-	-	28,462	807,705
Release of Funds to Non-New York Liquidator	-	-	-	-	-	-	-	-
Transfer to Segregated Accounts	-	10,048	-	-	-	-	-	-
Loss/Return Premiums	-	-	-	-	-	-	-	-
Loss Adjustment Expense	1,221	65,430	-	-	-	-	20,489	29,595
Reimbursement of Allocated Expenses:								
Salaries	349,891	441,572	4,691	16,875	203,800	145,655	621,086	628,555
Employee Relations & Welfare	233,920	332,308	2,781	14,134	134,075	113,063	407,155	495,502
Rent and Related Expenses	136,032	108,877	825	2,578	170,912	103,880	140,245	94,362
Professional Fees	84,080	70,315	35,872	30,312	193,407	302,743	181,444	88,127
General and Administrative Expenses	73,349	51,082	971	2,281	65,196	16,268	105,865	67,999
Large Deductible	-	-	-	-	-	-	-	-
Salvage and Subrogation Fees	-	-	-	-	-	-	-	-
Miscellaneous	10,778	55,186	361	2,829	17,153	56,724	17,659	77,530
Total Disbursements	889,271	1,134,818	45,501	69,009	784,543	738,333	1,522,405	2,289,375
Net Disbursements Over Receipts	1,776,168	370,120	(22,427)	68,285	253,286	3,032,004	(930,278)	2,237,017
Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Beginning of Year	33,205,689	32,674,294	1,617,470	1,548,488	41,338,210	37,004,399	50,354,192	47,992,441
Opening Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Balances of New Estates	-	-	-	-	-	-	-	-
Change in Unrealized Gain / (Loss) on Investments	225,276	161,275	68	697	1,329,345	1,301,807	163,595	124,734
Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), End of Period / Year	\$35,207,133	\$33,205,689	\$ 1,595,111	\$ 1,617,470	\$42,920,841	\$ 41,338,210	\$ 49,587,509	\$ 50,354,192

APPENDIX A

**THE DOMESTIC ESTATES IN LIQUIDATION
CASH RECEIPTS AND DISBURSEMENTS AND CHANGES IN CASH, CASH EQUIVALENTS
AND INVESTED ASSETS (UNRESTRICTED) – MODIFIED CASH BASIS
AS OF DECEMBER 31, 2020 AND 2019**

<u>Receipts:</u>	<u>INSCORP</u>		<u>MAIDSTONE</u>		<u>MIDLAND</u>		<u>PLICA</u>	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Net Investment Income Received	\$ 228,819	\$ 249,821	\$ 303,604	\$ -	\$ 8,567,172	\$ 9,214,260	\$ 234,749	\$ 334,822
Reinsurance Recovered	1,066,037	703,529	-	-	4,326,029	5,874,178	-	-
Premiums Collected	-	-	627,233	-	-	-	-	-
Salvage and Subrogation Recoveries	164	163	614,513	-	-	-	-	-
Reimbursement from Central Disbursement Account	-	-	-	-	-	-	-	-
Release from Statutory Deposits	-	-	2,039,050	-	-	-	-	-
Litigation Awards	-	-	-	-	-	-	-	-
CMS Recoveries	-	-	-	-	-	-	-	-
Large Deductible	-	-	-	-	-	-	-	-
Transfer from Segregated Accounts	-	-	-	-	15,080	-	-	-
Pharmacy Receivables	-	-	-	-	-	-	-	-
Miscellaneous	-	-	232,394	-	-	-	-	-
Total Receipts	1,295,020	953,513	3,816,794	-	12,908,281	15,088,438	234,749	334,822
<u>Disbursements:</u>								
Distributions	8,542	825,887	-	-	5,523,502	3,265,580	-	1,180,432
Release of Funds to Non-New York Liquidator	-	-	-	-	-	-	-	-
Transfer to Segregated Accounts	-	-	538,605	-	-	-	-	-
Loss/Return Premiums	-	-	77,088	-	-	-	-	-
Loss Adjustment Expense	-	-	18	-	938,803	352,095	-	-
Reimbursement of Allocated Expenses:								
Salaries	456,004	446,713	603,404	-	1,088,951	1,085,377	35,895	27,761
Employee Relations & Welfare	301,360	338,965	583,124	-	694,170	848,608	23,670	18,841
Rent and Related Expenses	94,492	69,759	580,133	-	239,064	161,840	7,827	3,140
Professional Fees	84,594	72,262	729,488	-	671,405	274,529	50,942	32,039
General and Administrative Expenses	82,920	46,518	275,824	-	193,383	114,293	9,312	3,495
Large Deductible	-	-	-	-	-	-	-	-
Salvage and Subrogation Fees	-	-	79,576	-	-	-	-	-
Miscellaneous	6,184	39,891	26,115	-	93,179	330,706	3,262	12,419
Total Disbursements	1,034,096	1,839,995	3,493,375	-	9,442,457	6,433,028	130,908	1,278,127
Net Disbursements Over Receipts	260,924	(886,482)	323,419	-	3,465,824	8,655,410	103,841	(943,305)
Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Beginning of Year	14,356,188	15,127,051	-	-	375,197,291	362,556,437	14,750,388	15,630,550
Opening Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Balances of New Estates	-	-	22,944,932	-	-	-	-	-
Change in Unrealized Gain / (Loss) on Investments	85,876	115,619	76,691	-	1,812,316	3,985,444	(14,423)	63,143
Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), End of Period / Year	\$ 14,702,988	\$ 14,356,188	\$ 23,345,042	\$ -	\$ 380,475,431	\$ 375,197,291	\$ 14,839,806	\$ 14,750,388

APPENDIX A

**THE DOMESTIC ESTATES IN LIQUIDATION
CASH RECEIPTS AND DISBURSEMENTS AND CHANGES IN CASH, CASH EQUIVALENTS
AND INVESTED ASSETS (UNRESTRICTED) – MODIFIED CASH BASIS
AS OF DECEMBER 31, 2020 AND 2019**

Receipts:	TOUCHSTONE		UNION INDEMNITY		CLOSED ESTATES		ESTATE TOTALS	
	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<u>12/31/2019</u>
Net Investment Income Received	\$ 102,598	\$ 129,524	\$ 396,366	\$ 510,633	\$ -	\$ -	\$ 15,746,405	\$ 17,247,769
Reinsurance Recovered	-	-	-	331,875	-	850,000	12,769,389	12,626,765
Premiums Collected	-	-	-	-	-	-	633,706	7,872
Salvage and Subrogation Recoveries	-	-	-	90,000	-	-	851,632	262,556
Reimbursement from Central Disbursement Account	-	-	-	-	-	-	-	100,000
Release from Statutory Deposits	-	-	-	-	-	-	2,191,271	1,914,325
Litigation Awards	-	-	-	-	-	-	7,000,000	2,200,000
CMS Recoveries	-	148,555	-	-	-	-	-	1,974,811
Large Deductible	-	-	-	-	-	-	-	105,618
Transfer from Segregated Accounts	-	-	25,899	-	-	1,625,085	510,670	1,625,085
Pharmacy Receivables	-	-	-	-	-	-	17,988	794,055
Miscellaneous	1,619	31,829	-	-	-	4,160	243,833	285,702
Total Receipts	104,217	309,908	422,265	932,508	-	2,479,245	39,964,894	39,144,558
Disbursements:								
Distributions	-	-	1,886	13,052	-	3,554,467	5,562,392	10,966,896
Release of Funds to Non-New York Liquidator	-	-	-	-	-	-	-	-
Transfer to Segregated Accounts	-	-	-	-	-	-	790,068	10,048
Loss/Return Premiums	-	-	-	-	-	-	77,088	-
Loss Adjustment Expense	-	-	-	-	-	-	1,027,097	457,934
Reimbursement of Allocated Expenses:								
Salaries	199,783	403,796	69,435	136,527	-	18,440	5,656,858	5,570,694
Employee Relations & Welfare	128,554	312,377	47,356	107,381	-	14,449	3,862,574	4,274,413
Rent and Related Expenses	198,560	244,228	13,981	13,956	-	11,402	2,303,194	1,335,324
Professional Fees	48,868	65,058	56,083	40,458	-	47,429	2,833,674	2,252,415
General and Administrative Expenses	32,104	46,721	12,825	14,819	-	3,037	1,306,247	682,740
Large Deductible	-	-	-	-	-	-	266,952	-
Salvage and Subrogation Fees	-	-	-	31,448	-	-	112,864	47,226
Miscellaneous	4,305	38,482	5,695	24,155	-	89,757	255,898	1,024,638
Total Disbursements	612,174	1,110,662	207,261	381,796	-	3,738,981	24,054,906	26,622,328
Net Disbursements Over Receipts	(507,957)	(800,754)	215,004	550,712	-	(1,259,736)	15,909,988	12,522,230
Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Beginning of Year	5,902,324	6,695,418	23,057,539	22,367,769	-	1,259,736	724,637,220	700,634,252
Opening Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Balances of New Estates	-	-	-	-	-	-	22,944,932	2,847,825
Change in Unrealized Gain / (Loss) on Investments	61,456	7,660	154,584	139,058	-	-	5,218,710	8,632,913
Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), End of Period / Year	\$ 5,455,823	\$ 5,902,324	\$ 23,427,127	\$ 23,057,539	\$ -	\$ -	\$ 768,710,850	\$ 724,637,220