

Velva L. Price  
District Clerk  
Travis County  
D-1-GN-18-001933  
Sandra Henriquez

NO. D-1-GN-18-001933

TEXAS DEPARTMENT OF INSURANCE §  
VS. §  
GRAND COURT ORDER OF CALANTHE §  
IN THE DISTRICT COURT OF  
TRAVIS COUNTY, TEXAS  
250TH JUDICIAL DISTRICT

**SPECIAL DEPUTY RECEIVER'S SUMMARY STATEMENT OF EXPENSES AND FINANCIAL REPORT FOR THE PERIOD ENDING NOVEMBER 30, 2018**

COMES NOW, Resolution Oversight Corporation, Special Deputy Receiver under contract to the Permanent Receiver of the Grand Court Order of Calanthe, pursuant to TEX. INS. CODE ANN. §§443.015(g) and 443.016(a), and presents to this Court its *Summary Statement of Expenses and Financial Report for the Period Ending November 30, 2018* for the Grand Court Order of Calanthe.

Attached is the Summary Statement of Expenses for the quarter ending November 30, 2018. The Statement of Expenses includes the expenses of the Special Deputy Receiver, its approved sub-contractors, and an allocation of the expenses of the Texas Department of Insurance Rehabilitation & Liquidation Oversight. Also attached is the Financial Report for the quarter ending November 30, 2018.

Respectfully submitted,

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By: /s/ Rachel J. Stroud  
Rachel J. Stroud  
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Attorneys the Special Deputy Receiver

## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served on all interested parties in accordance with the Texas Rules of Civil Procedure and TEX. INS. CODE ANN. § 443.007(d) this 17th day of December, 2018.

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Texas Department of Insurance  
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/s/ Rachel J. Stroud  
Rachel J. Stroud  
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**GRAND COURT ORDER OF CALANTHE IN RECEIVERSHIP**  
**Statement of Expenses**

For the Quarter Ending  
11/30/18

	Sep	Oct	Nov	Total Quarter
<b>SDR</b>				
Resolution Oversight Corporation				
SDR	\$11,645.00	\$7,191.00	\$6,222.00	\$25,058.00
SDR Travel	663.00	0.00	297.50	960.50
Estate Accountant	6,070.00	8,440.00	2,280.00	16,790.00
Estate Accountant Travel	630.00	60.00	0.00	690.00
Claims Adjuster	5,824.00	3,968.00	3,392.00	13,184.00
Claims Adjuster Travel	480.00	0.00	0.00	480.00
Clerical	126.00	49.00	7.00	182.00
Expenses	2,672.83	128.69	146.89	2,948.41
<b>Total SDR Billing</b>	<b>28,110.83</b>	<b>19,836.69</b>	<b>12,345.39</b>	<b>60,292.91</b>
<b>SDR Subcontractors- Legal</b>				
The Stroud Firm, PLLC				
Attorney	84.00	294.00	1,260.00	1,638.00
Attorney	2,534.50	1,184.00	2,701.00	6,419.50
Attorney Travel	0.00	0.00	111.00	111.00
Expenses	0.00	0.00	54.31	54.31
<b>Total Billing</b>	<b>2,618.50</b>	<b>1,478.00</b>	<b>4,126.31</b>	<b>8,222.81</b>
Brian E. Riewe, PC				
Paralegal	104.50	76.00	0.00	180.50
Expenses	0.00	0.00	0.00	0.00
<b>Total Billing</b>	<b>104.50</b>	<b>76.00</b>	<b>0.00</b>	<b>180.50</b>
<b>Total Legal Subcontractors</b>	<b>2,723.00</b>	<b>1,554.00</b>	<b>4,126.31</b>	<b>8,403.31</b>
<b>SDR Subcontractors- Other</b>				
Emkay Associates				
IT Representative	1,938.00	427.50	57.00	2,422.50
Expenses	47.90	47.90	47.90	143.70
<b>Total Billing</b>	<b>1,985.90</b>	<b>475.40</b>	<b>104.90</b>	<b>2,566.20</b>
ABACI, Inc.				
IT- Application Analyst and Developer	927.00	0.00	0.00	927.00
Expenses	0.00	0.00	0.00	0.00
<b>Total Billing</b>	<b>927.00</b>	<b>0.00</b>	<b>0.00</b>	<b>927.00</b>
<b>Total Other SDR Subcontractors</b>	<b>2,912.90</b>	<b>475.40</b>	<b>104.90</b>	<b>3,493.20</b>
<b>Receivership Service Providers</b>				
Non-Subcontractor Fees & Expenses	1,900.00	850.00	850.00	3,600.00
Other Expenses	1,790.03	710.90	123.10	2,624.03
Bank Fees				
Chase SDR operating account	0.00	88.89	0.00	88.89
Bank of America company operating	53.44	42.09	52.60	148.13
Texas Treasury	10.63	0.00	26.56	37.19
<b>Total Receivership Service Providers</b>	<b>3,754.10</b>	<b>1,691.88</b>	<b>1,052.26</b>	<b>6,498.24</b>
<b>Subtotal SDR, Subcontractor &amp; Provider Expenses</b>				
<b>Subtotal SDR, Subcontractor &amp; Provider Expenses</b>	<b>37,500.83</b>	<b>23,557.97</b>	<b>17,628.86</b>	<b>78,687.66</b>
<b>Liquidation Oversight Allocation</b>				
RLO Allocation	0.00	0.00	0.00	0.00
Special Master's Fees	0.00	0.00	960.00	960.00
<b>Total Liquidation Oversight &amp; Special Master Expense</b>	<b>0.00</b>	<b>0.00</b>	<b>960.00</b>	<b>960.00</b>
<b>Total Expenses</b>	<b>\$37,500.83</b>	<b>\$23,557.97</b>	<b>\$18,588.86</b>	<b>\$79,647.66</b>

**GRAND COURT ORDER OF CALANTHE IN RECEIVERSHIP**  
**Statement of Net Assets**

11/30/18

Line		11/30/18
<b>Cash</b>		
1	Cash	
	Cash- Unrestricted	799,645
	APF Funds (Loan proceeds)	290,000
<b>Investments</b>		
2	Short-Term Investments	
3	Bonds	0
4	Stocks- Preferred & Common	
5	Investments in Subsidiaries, Controlled or Affiliated Entities	
6	Mortgage Loans	
7	Real Estate	0
8	Policy Loans	
9	Other Invested Assets	
<b>Restricted Assets</b>		
10	Statutory Deposits	
11	Funds held by or deposited with Reinsured Companies	
12	Restricted- Other	
<b>Reinsurance Receivables</b>		
13	Reinsurance Recoverables on Paid Losses & LAE (net of allowance)	
14	Reinsurance Recoverables on Unpaid Losses & LAE (net of allowance)	
15	Reinsurance Recoverables on UEP & Contingent Commissions	
<b>Other Receivables</b>		
16	Salvage & Subrogation Recoveries	
17	Premiums Due from Agents & Policyholders	7,400
18	Receivable from Parents, Subsidiaries & Affiliates	
19	Receivable from Guaranty Associations- Early Access Payments	
20	Other Receivables	
<b>Other Assets</b>		
21	FF&E	
22	Other Assets	
	EDP equipment	300
	<b>Total Assets</b>	<b>1,097,345</b>

**NOTES**

Ref No.

3, 7 Net of a 100% valuation allowance.

**GRAND COURT ORDER OF CALANTHE IN RECEIVERSHIP**  
**Changes in Net Assets**

For the Quarter Ending  
11/30/18

Line		Assets at 8/31/18	Assets at 11/30/18	Change
<b>Cash</b>				
1	Cash			
	Cash- Unrestricted	0	799,645	799,645
	APF Funds (Loan proceeds)	122,346	290,000	167,654
<b>Investments</b>				
2	Short-Term Investments			0
3	Bonds	0	0	0
4	Stocks- Preferred & Common			0
5	Investments in Subsidiaries, Controlled or Affiliated Entities			0
6	Mortgage Loans			0
7	Real Estate	0	0	0
8	Policy Loans			0
9	Other Invested Assets			0
<b>Restricted Assets</b>				
10	Statutory Deposits			0
11	Funds held by or deposited with Reinsured Companies	1,048,864	0	(1,048,864)
12	Restricted- Other			
<b>Reinsurance Receivables</b>				
13	Reinsurance Recoverables on Paid Losses & LAE (net of allowance)			0
14	Reinsurance Recoverables on Unpaid Losses & LAE (net of allowance)			0
15	Reinsurance Recoverables on UEP & Contingent Commissions			0
<b>Other Receivables</b>				
16	Salvage & Subrogation Recoveries			0
17	Premiums Due from Agents & Policyholders	7,395	7,400	5
18	Receivable from Parents, Subsidiaries & Affiliates			0
19	Receivable from Guaranty Associations- Early Access Payments			0
20	Other Receivables			0
<b>Other Assets</b>				
21	FF&E			0
22	Other Assets			
	EDP equipment	300	300	0
	<b>Total Assets</b>	<b>1,178,905</b>	<b>1,097,345</b>	<b>(81,560)</b>

**GRAND COURT ORDER OF CALANTHE IN RECEIVERSHIP**  
**Statement of Net Liabilities**

11/30/18

Line		11/30/18
1	Secured Claims	
2	APF Loan	290,000
3	Special Deposit Claims	
<b>Administrative Claims- Class 1</b>		
4	Administrative Claims- State/Receiver	
	Special Deputy Receiver, Subcontractors Fees & Expenses	17,568
	Liquidation Oversight	0
	Special Master's Fees	960
5	Administrative Claims- Guaranty Associations	
	Administrative Expense Paid	
	Administrative Expense Reserves	
6	LAE- Guaranty Associations	
	LAE Paid	
	LAE Reserves	
<b>Policy Claims- Class 2</b>		
7	Loss Claims- Guaranty Associations	
	Loss Claims Paid	
	Loss Claims Reserves	
8	Loss Claims- Other	
	Other Loss Claims Paid	
	Other Loss Claims Reserves	1,040,178
9	LAE- Other	
10	Unearned & Advance Premium Claims- GA	
11	Unearned & Advance Premium Claims- Other	
<b>Other Liabilities</b>		
12	Class 3 Claims	
13	Class 4 Claims	
14	Class 5 General Unsecured Creditor Claims	
15	Class 5 Reinsurance Related Unsecured Claims	
16	Class 6 Claims	
17	Class 7 Claims	
18	Class 8 Claims	
19	Class 9 Claims	
20	Class 10 Interest	
21	Class 11 Claims	
22	Other Liabilities	
	<b>Total Liabilities</b>	1,348,706
23	Total Equity (Deficit)/ Excess (Deficiency) of Assets over Liabilities	(251,361)
	<b>Total Liabilities &amp; Equity</b>	<b>1,097,345</b>

**NOTES**

All amounts recorded based on determined claims unless otherwise specified  
 Ref. No.

Determinations have not been made on any of the liabilities reported,  
 except lines 2 and 4.

**GRAND COURT ORDER OF CALANTHE IN RECEIVERSHIP**  
**Changes in Net Liabilities**

For the Quarter Ending  
11/30/18

Line		Liabs at 8/31/18	Liabs at 11/30/18	Change
1	Secured Claims			0
2	APF Loan	240,000	290,000	50,000
3	Special Deposit Claims			0
<b>Administrative Claims- Class 1</b>				
4	Administrative Claims- State/Receiver			
	Special Deputy Receiver, Subcontractors Fees & Expenses	71,407	17,568	(53,839)
	Liquidation Oversight			0
	Special Master's Fees	60	960	900
5	Administrative Claims- Guaranty Associations			
	Administrative Expense Paid			0
	Administrative Expense Reserves			0
6	LAE- Guaranty Associations			
	LAE Paid			0
	LAE Reserves			0
<b>Policy Claims- Class 2</b>				
7	Loss Claims- Guaranty Associations			
	Loss Claims Paid			0
	Loss Claims Reserves			0
8	Loss Claims- Other			
	Other Loss Claims Paid			0
	Other Loss Claims Reserves	1,048,864	1,040,178	(8,686)
9	LAE- Other			0
10	Unearned & Advance Premium Claims- GA			0
11	Unearned & Advance Premium Claims- Other			0
<b>Other Liabilities</b>				
12	Class 3 Claims			0
13	Class 4 Claims			0
14	Class 5 General Unsecured Creditor Claims			0
15	Class 5 Reinsurance Related Unsecured Claims			0
16	Class 6 Claims			0
17	Class 7 Claims			0
18	Class 8 Claims			0
19	Class 9 Claims			0
20	Class 10 Interest			0
21	Class 11 Claims			0
22	Other Liabilities			0
	<b>Total Liabilities</b>	1,360,331	1,348,706	(11,625)
23	Total Equity (Deficit)/ Excess (Deficiency) of Assets over Liabilities	(181,426)	(251,361)	(69,935)
	<b>Total Liabilities &amp; Equity</b>	1,178,905	1,097,345	(81,560)

**GRAND COURT ORDER OF CALANTHE IN RECEIVERSHIP**  
**Sources & Uses of Cash**

For the Quarter Ending  
11/30/18

	Qtr Ending Nov-18
<b>Income</b>	
Premium Receipts	4,512
Agents' Balances Received	0
Reinsurance Recoveries	1,048,864
Salvage & Subrogation Recoveries	0
Affiliates Recovery	0
Settlement/Litigation Recovery	0
Other Receipts	0
Sale of Real & Personal Property	300
Investment Sales/Receipts	0
Other Asset Receipts	0
<b>Total Receipts from Assets/Receivables</b>	<b>1,053,676</b>
Interest & Dividend Receipts, EA Interest	6
Cash Deposit Interest	3,541
<b>Total Cash Receipts</b>	<b>1,057,223</b>
<b>Disbursements for Operations</b>	
SDR Fees & Expenses	95,334
Subcontractor Legal Fees & Expenses	23,911
Subcontractor Other Fees & Expenses	5,582
Non-Subcontractor Fees & Expenses	4,800
Other Disbursements	2,900
RLO Fees & Expenses	60
<b>Total Disbursements for Operations</b>	<b>132,587</b>
<b>Cash Distributions</b>	
Loss Claims & LAE Expense Payments	7,337
Early Access Payments- GA	0
Refunds & Other Distributions	0
<b>Total Cash Distributions</b>	<b>7,337</b>
<b>Total Cash Disbursements &amp; Distributions</b>	<b>139,924</b>
<b>APF Loan Proceeds (Repayment)</b>	<b>50,000</b>
<b>Net Increase (Decrease) in Cash</b>	<b>967,299</b>
<b>Cash at Beginning of Period</b>	<b>122,346</b>
<b>Cash at End of Period</b>	<b>1,089,645</b>