

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

CIVIL ACTION NO.: 2011-CA-191

In Re: The Receivership of  
COMMERCIAL INSURANCE  
ALLIANCE, a Florida Reciprocal  
Insurance Company.

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**RECEIVER'S MOTION FOR APPROVAL OF FIRST INTERIM  
CLAIMS REPORT AND RECOMMENDATION ON CLAIMS**

THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES, as Receiver of  
COMMERCIAL INSURANCE ALLIANCE (the "Receiver"), hereby files its First Interim  
Claims Report and Recommendation on Claims ("Report") and moves this court for an Order  
approving its Report. In support of its Motion, the Receiver says:

1. This Court entered a Consent Order Appointing the Florida Department of Financial  
Services as Receiver of Commercial Insurance Alliance ("CIA") for the purposes of Liquidation,  
Injunction and Notice of Automatic Stay on January 26, 2011.

2. This Court has jurisdiction over the Receivership and is authorized to enter all necessary  
and/or proper orders to carry out the purpose of the Florida Insurers Rehabilitation and Liquidation  
Act, Section 631.021(1), Florida Statutes.

3. CIA was a reciprocal insurance company that was licensed pursuant to Chapter 629,  
Florida Statutes. In the case of reciprocal insurers, assessments may from time to time be levied  
upon subscribers of a domestic reciprocal insurer liable upon the terms of their policies. *See Section  
629.231 (1), Florida Statutes.* The Receiver anticipated that an assessment would be necessary in  
the receivership estate of CIA.

4. In order to make an accurate assessment, the Receiver needed to determine what outstanding liabilities existed in relation to CIA. Further, to reduce estate expenses and protect the interests of the policyholders, claimants and other creditors, the Receiver needs to make the determination of liabilities as soon as possible. Although the Consent Order established a claims filing deadline of 11:59 p.m. on January 26, 2012, the Receiver needed a shorter deadline to determine the liabilities in an expedient manner.

5. On February 28, 2011, the Receiver filed a *Motion for a Finding that Commercial Insurance Alliance is Insolvent and to Shorten Deadline for Filing Claims*. On March 3, 2011, this Court entered an Order shortening the claims filing deadline from 11:59 p.m. on January 26, 2012, to 11:59 p.m. on August 1, 2011.

6. There were sixty-one (61) class 1-8 claims filed in this estate. *See Section 631.271 – Priority of Claims, Florida Statutes*. The total amount of the claims is \$2,736,216.53. The total amount recommended by the Receiver is \$1,430,151.12.

7. All classes have been evaluated and reported to the Court. The Report is broken down into two parts:

Part A – For Non Guaranty Association Claimants

Part B – For Guaranty Association Claimants

8. Part A of the Report lists the claims of Non Guaranty Association Claimants. The total amount claimed in Part A of the Report is \$2,569,512.06. The total amount recommended by the Receiver in Part A of the Report is \$1,220,146.55. *A copy of the summary totals from Part A of the Report is attached as Exhibit "A."*

9. Part B of the Report lists the claims of Guaranty Association Claimants. The total amount claimed in Part B of the Report is \$166,704.47. The total amount recommended by the

Receiver in Part B of the Report is \$166,704.47. *A copy of the summary totals from Part B of the Report is attached as Exhibit "B."*

10. In order to assure the validity of claim assignments, to assure that the processing of assignments does not create an undue burden on estate resources, and to assure that assignment decisions are made using the best information available, the Receiver does not recognize or accept any assignment of claim by the claimant of record unless the following criteria are met:

- A. A distribution petition has not been filed with this Court;
- B. The Receiver has been provided with a properly executed and notarized assignment of claim agreement entered into between the parties; and
- C. The Receiver has been provided with a properly executed and notarized Receiver's Assignment of Claim Change Form and required supporting documentation.

11. The Receiver's Assignment of Claim Change Form shall contain an acknowledgment by the claimant, or someone authorized to act on behalf of the claimant, that:

- A. The claimant is aware that financial information regarding claims distributions and payments published on the Receiver's website or otherwise available can assist the claimant in making an independent and informed decision regarding the sale of the claim;
- B. The claimant understands that the purchase price being offered in exchange for the assignment may differ from the amount ultimately distributed in the receivership proceeding with respect to the claim;

C. It is the claimant's intent to sell their claim and have the Receiver's records be permanently changed to reflect the new owner; and

D. The claimant understands that they will no longer have any title, interest, or rights to the claim including future mailings and distributions if they occur.

12. Under Section 631.182 (1), Florida Statutes, the claimants are entitled to notice of the Receiver's recommendations on their claim and the deadline for filing an objection. *A sample copy of the notice to claimants is attached as Exhibit "C."*

13. The Receiver will establish the deadline for claimants to file an objection with the Court. The deadline will not be less than forty-five (45) days from the date of this Court's Order granting approval of the Report. The Receiver has a procedure for dealing with late filed objections. For any objections filed after the deadline, the Receiver will send a letter to the claimant advising that their objection was not filed in compliance with Florida Statutes and this Court's Order and therefore will not be handled as a timely filed objection. A copy of this letter will be filed with the Court.

**WHEREFORE**, the Receiver respectfully requests this Court enter an Order:

A) Approving the Receiver's First Interim Claims Report and Recommendations on Claims;

B) Authorizing and directing the Receiver to notify claimants of the Receiver's recommendations by U.S Mail to claimant's last known address as shown in the Receiver's files; and

C) Directing all claimants to file any objection to the Receiver's Report with the Clerk of this Court on or before 11:59 p.m. on the date of the objection filing deadline as

established by the Receiver. The objection should be filed at:

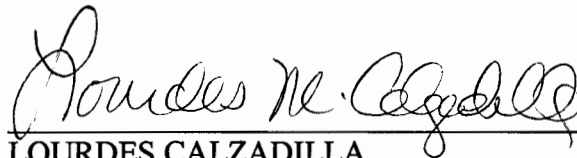
Clerk of the Leon County Circuit Court  
Leon County Courthouse  
301 South Monroe Street  
Tallahassee, Florida 32301

Further, this Court shall require that a copy of the objection be furnished to the Receiver at:

The State of Florida Department of Financial Services  
as Receiver of Commercial Insurance Alliance  
Division of Rehabilitation and Liquidation  
2020 Capital Circle S.E., Suite 310  
Tallahassee, FL 32301

- D) Approving the Receiver's procedure for addressing assignments of claim;
- E) Requiring any persons filing objections to submit documentation to support their claim and declaring that the Court will not consider any information or documentation submitted after the objection is filed.
- F) Approving the Receiver's procedure for addressing late filed objections.

DATED this 1 day of April, 2013.



LOURDES CALZADILLA  
Senior Attorney  
Florida Bar No.: 00139408  
Florida Department of Financial Services  
Division of Rehabilitation and Liquidation  
2020 Capital Circle S.E.  
Suite 310  
Tallahassee, Florida 32301  
Telephone: (850) 413-4414  
Facsimile: (850) 413-3992

FLORIDA DEPARTMENT OF FINANCIAL SERVICES -DIVISION OF REHABILITATION AND LIQUIDATION  
 COMMERCIAL INSURANCE ALLIANCE  
 FIRST INTERIM CLAIMS REPORT  
 PART A - FOR NON GUARANTY ASSOCIATION CLAIMANTS

SUMMARY TOTALS

TOTAL AMOUNT CLAIMED BY NON GUARANTY ASSOCIATION CLAIMANTS	\$2,569,512.06
TOTAL AMOUNT RECOMMENDED TO NON GUARANTY ASSOCIATION CLAIMANTS	\$1,220,146.65
TOTAL NUMBER	57

**Secured Claims**

COUNT OF SECURED CLAIMS :	0
AMOUNT CLAIMED FOR SECURED CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00
AMOUNT RECMD FOR SECURED CLAIMS TO NON GUARANTY ASSOCIATION	

**UnSecured Claims**

COUNT OF CLASS 1 CLAIMS :	0	COUNT OF CLASS 7 CLAIMS :	1
AMOUNT CLAIMED FOR CLASS 1 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00	AMOUNT CLAIMED FOR CLASS 7 CLAIMS BY NON GUARANTY ASSOCIATION	\$42,655.89
AMOUNT RECMD FOR CLASS 1 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS :		AMOUNT RECMD FOR CLASS 7 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS :	

COUNT OF CLASS 2 CLAIMS :	35	COUNT OF CLASS 8 CLAIMS :	2
AMOUNT CLAIMED FOR CLASS 2 CLAIMS BY NON GUARANTY ASSOCIATION	\$1,684,881.26	AMOUNT CLAIMED FOR CLASS 8 CLAIMS BY NON GUARANTY ASSOCIATION	\$10,373.10
AMOUNT RECMD FOR CLASS 2 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS :	\$758,892.00	AMOUNT RECMD FOR CLASS 8 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS :	

COUNT OF CLASS 3 CLAIMS :	1	COUNT OF CLASS 9 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 3 CLAIMS BY NON GUARANTY ASSOCIATION	\$43,319.12	AMOUNT CLAIMED FOR CLASS 9 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00
AMOUNT RECMD FOR CLASS 3 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS :	\$43,319.00	AMOUNT RECMD FOR CLASS 9 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS :	

COUNT OF CLASS 4 CLAIMS : 0 CLASS 10 INTEREST CLAIMS (SEE NOTE):

AMOUNT CLAIMED FOR CLASS 4 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00
AMOUNT RECMD FOR CLASS 4 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS :	

COUNT OF CLASS 5 CLAIMS :	0	COUNT OF CLASS 11 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 5 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00	AMOUNT CLAIMED FOR CLASS 11 CLAIMS TO NON GUARANTY ASSOCIATION	\$0.00
AMOUNT RECMD FOR CLASS 5 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS :		AMOUNT RECMD FOR CLASS 11 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS :	

COUNT OF CLASS 6 CLAIMS :	18
AMOUNT CLAIMED FOR CLASS 6 CLAIMS BY NON GUARANTY ASSOCIATION	\$788,282.69
AMOUNT RECMD FOR CLASS 6 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS :	\$417,935.65

Class 10 Claims are comprised of interest per F.S. 631.271 (1) (j) on allowed claims in Classes 1 - 9. status is unevaluated, then dollar amounts have been suppressed

\*\*\* DRAFT  
 FLORIDA DEPARTMENT OF FINANCIAL SERVICES - DIVISION OF REHABILITATION AND LIQUIDATION  
 COMMERCIAL INSURANCE ALLIANCE  
 FIRST INTERIM CLAIMS REPORT  
 PART B - FOR GUARANTY ASSOCIATION

SUMMARY TOTALS

TOTAL AMOUNT CLAIMED BY GUARANTY ASSOCIATION \$166,704.47  
 TOTAL AMOUNT RECOMMENDED TO GUARANTY ASSOCIATION \$166,704.47  
 TOTAL NUMBER 4

COUNT OF CLASS 1 CLAIMS : 3 COUNT OF CLASS 7 CLAIMS : 0  
 AMOUNT CLAIMED FOR CLASS 1 CLAIMS BY GUARANTY ASSOCIATION : \$27,478.47 AMOUNT CLAIMED FOR CLASS 7 CLAIMS BY GUARANTY ASSOCIATION : \$0.00  
 AMOUNT RECMD FOR CLASS 1 CLAIMS TO GUARANTY ASSOCIATION : \$27,478.47 AMOUNT RECMD FOR CLASS 7 CLAIMS TO GUARANTY ASSOCIATION :

COUNT OF CLASS 2 CLAIMS : 1 COUNT OF CLASS 8 CLAIMS : 0  
 AMOUNT CLAIMED FOR CLASS 2 CLAIMS BY GUARANTY ASSOCIATION : \$139,226.00 AMOUNT CLAIMED FOR CLASS 8 CLAIMS BY GUARANTY ASSOCIATION : \$0.00  
 AMOUNT RECMD FOR CLASS 2 CLAIMS TO GUARANTY ASSOCIATION : \$139,226.00 AMOUNT RECMD FOR CLASS 8 CLAIMS TO GUARANTY ASSOCIATION :

COUNT OF CLASS 3 CLAIMS : 0 COUNT OF CLASS 9 CLAIMS : 0  
 AMOUNT CLAIMED FOR CLASS 3 CLAIMS BY GUARANTY ASSOCIATION : \$0.00 AMOUNT CLAIMED FOR CLASS 9 CLAIMS BY GUARANTY ASSOCIATION : \$0.00  
 AMOUNT RECMD FOR CLASS 3 CLAIMS TO GUARANTY ASSOCIATION : AMOUNT RECMD FOR CLASS 9 CLAIMS TO GUARANTY ASSOCIATION :

COUNT OF CLASS 4 CLAIMS : 0 CLASS 10 INTEREST CLAIMS (SEE NOTE):  
 AMOUNT CLAIMED FOR CLASS 4 CLAIMS BY GUARANTY ASSOCIATION : \$0.00  
 AMOUNT RECMD FOR CLASS 4 CLAIMS TO GUARANTY ASSOCIATION :

COUNT OF CLASS 5 CLAIMS : 0 COUNT OF CLASS 11 CLAIMS : 0  
 AMOUNT CLAIMED FOR CLASS 5 CLAIMS BY GUARANTY ASSOCIATION : \$0.00 AMOUNT CLAIMED FOR CLASS 11 CLAIMS TO GUARANTY ASSOCIATION CLAIMANTS: \$0.00  
 AMOUNT RECMD FOR CLASS 5 CLAIMS TO GUARANTY ASSOCIATION : AMOUNT RECMD FOR CLASS 11 CLAIMS TO GUARANTY ASSOCIATION CLAIMANTS :

COUNT OF CLASS 6 CLAIMS : 0  
 AMOUNT CLAIMED FOR CLASS 6 CLAIMS BY GUARANTY ASSOCIATION : \$0.00  
 AMOUNT RECMD FOR CLASS 6 CLAIMS TO GUARANTY ASSOCIATION :

Note: Class 10 Claims are comprised of interest per F.S. 631.271 (1) (j) on allowed claims in Classes 1 - 9.  
 \*\*\* If status is unevaluated, then dollar amounts have been suppressed



FLORIDA DEPARTMENT OF FINANCIAL SERVICES  
RECEIVER

«company»

February 28, 2013

NOTICE of DETERMINATION

«DELIVERYPOINTBARCODE»

«CD\_COMPANY» «ID\_NO»-«SUFFIX»  
«FULLNAME»  
«ADDRESSLINE1»  
«ADDRESSLINE2»  
«city» «state» «ZIPCODE»

IDENTIFICATION NUMBER:

INSURED:  
POLICY NUMBER:  
CLAIM NUMBER:  
AMOUNT CLAIMED:  
AMOUNT RECOMMENDED CLAIMANT:  
CLASS:

«cd\_company» «id\_no»-  
«suffix»  
«policyhold»  
«policy\_no»  
«claim\_no»  
«amt\_claimd»  
«AMT\_DUE\_CL»  
«class»

**THIS IS NOT A BILL**

**THIS IS NOT A BILL**

RE: «COMPANY»

Civil Action: «CASE\_NO»  
2<sup>nd</sup> Judicial Circuit Court  
Leon County, Florida

OBJECTION FILING DEADLINE: ?filing deadline?

**THIS IS NOT A BILL.** The purpose of this Notice of Determination is to inform you of the Receiver's report of its final recommendations to the Circuit Court concerning the classification and amount on a claim filed by you or on your behalf against the Receivership Estate of «COMPANY». A copy of the court order reflecting approval of these recommendations can be obtained at <http://www.myfloridacfo.com/division/receiver>.

The Receiver has evaluated Class 1 through Class 11 claims submitted in the estate of «COMPANY» and is recommending the amount on the line reading "Amount Recommended Claimant." The Receiver's "Class" or "Priority" of your claim will affect the amount you may receive. Florida Statute 631.271, "Priority of Claims", defines the classification of claims being reported to Court. Florida Statute 631.271, "Priority of Claims" can be obtained at <http://www.myfloridacfo.com/division/receiver>.

**If you agree with the amount recommended and the class/priority, no further action on your part is necessary.** If you object to the recommended amount or to the assigned class of your claim, YOU MUST FILE YOUR WRITTEN OBJECTION WITH BOTH THE RECEIVER AND THE CLERK OF COURT, SECOND JUDICIAL CIRCUIT, LEON COUNTY COURT HOUSE, 301 S. MONROE STREET, TALLAHASSEE, FLORIDA 32301.

YOUR OBJECTION MUST BE FILED (RECEIVED) BY?filing deadline?. IT IS SUGGESTED THAT YOU SEND YOUR OBJECTION BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED.

The objection procedure is:

1. At the top of your statement, include the following information: The Civil Action Number noted above, your identification number noted above, and your correct address and telephone number. State in detail all legal and factual reasons for your objection.
2. Attach a copy of this notice and any documentation to support your objection. By order of the Court, all documentation must be filed with your objection.
3. Mail original to the Clerk of Court, a copy to the Receiver, and keep a copy for yourself.
4. If your objection cannot be resolved, a hearing will be scheduled before the Circuit Court, Leon County, Florida.

FLORIDA DEPARTMENT OF FINANCIAL SERVICES, RECEIVER

«company»,

2020 CAPITAL CIRCLE, S.E., SUITE 310  
TALLAHASSEE, FLORIDA 32301

Website: <http://www.myfloridacfo.com/division/receiver>

Telephone: 850-413-3081, Toll Free: 800-882-3054, Facsimile: 850-413-3997

EXHIBIT C



**FLORIDA DEPARTMENT OF FINANCIAL SERVICES  
RECEIVER  
«company»**

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**DISTRIBUTION INFORMATION**

Distribution of estate funds to claimants will be made in accordance with the priority schedule set forth in Section 631.271, Florida Statutes. All approved claims are organized and paid by priority with a Class 1 claim designated as the highest priority to a Class 11 claim considered the lowest priority. All approved claims in a class must be paid in full before any payment is made to the next class. If the next lower priority class does not have sufficient funds to be paid in full, all approved claims in that class are paid in equal pro rata shares. Therefore, depending on the assets available for distribution, you and other claimants in your classification may only receive a percentage of the amount recommended on your claim (i.e. 25% pro rata share distribution of funds in your class equals 25 cents on the dollar). Further information on the current and projected financial condition of «COMPANY» can be found at <http://www.myfloridacfo.com/division/receiver> or the Global Receivership Information Database (GRID) website at [www.naic.org](http://www.naic.org).

As part of its duties, the Receiver must investigate, collect and convert all company assets into cash, prioritize and value claims, and resolve all objections to the results of the Receiver's evaluations. This process usually takes several years to complete. Distributions to claimants are made only if/when sufficient funds become available and the Court has approved the distribution. We cannot currently estimate if/when a payment may be made. Your patience in this process is appreciated.

**CLAIMANT INFORMATION**

If a distribution is made, the payee(s) name(s) on the claim check will be the same as the name(s) appearing on the front of this form. If the information on this form, including address, is incorrect, or becomes incorrect in the future, it is your responsibility to notify the Receiver and document any changes to a claimant's name or address. Information on how to submit a change is available at <http://www.myfloridacfo.com/division/receiver>.

Some non-confidential information (i.e., certain claimant names, addresses and recommended claim information) is compiled by the Receiver and filed with the Court in order to make recommendations regarding the value and class of claims. This information is available to consumers as a public record in accordance with Article I, Section 24 of the Florida State Constitution and Chapter 119, Florida Statutes, and may be accessed through the court files of this receivership or via the Receiver's website.

***IMPORTANT INFORMATION:*** You may be contacted by outside third parties who may offer to purchase your claim in exchange for the transfer of your rights to a distribution, if any, in the future. Please be advised that the Receiver is not in any way affiliated with third party purchasers of claims and cannot advise or counsel individual claimants with respect to any potential distribution amounts or assist a claimant in the personal decision to sell their claim to an outside third party. All available information on the current and projected financial condition of «COMPANY» may be found at <http://www.myfloridacfo.com/division/receiver> or the Global Receivership Information Database (GRID) website at [www.naic.org](http://www.naic.org).

<p><b>FLORIDA DEPARTMENT OF FINANCIAL SERVICES, RECEIVER</b> «company», 2020 CAPITAL CIRCLE, S.E., SUITE 310 TALLAHASSEE, FLORIDA 32301 Website: <a href="http://www.myfloridacfo.com/division/receiver">http://www.myfloridacfo.com/division/receiver</a> Telephone: 850-413-3081, Toll Free: 800-882-3054, Facsimile: 850-413-3997</p>
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