Florida Department of Financial Services, Division of Rehabilitation and Liquidation
American Capital Assurance Corp. in Liquidaton
Statement of Affairs
9/30/2021

	Estimated Realizable Value
ASSETS	
Pooled Cash in SPIA Due from the Admin Fund	$42,394,084.58
Accrued Interest Receivable	38,350.72
Reinsurance Recoverable	36,799,260.27
Allowance Reinsurance Recoverable	(15,677,493.10)
Accounts Receivable	2,767,404.50
Allowance - Accounts Receivables	(2,767,404.50)
Long Term Investments	552,458.85
Advance to Guaranty Associations	300,027.43
Total Assets	$64,406,688.75
LIABILITIES	
Class 1 Administrative Claims	
Class 1 - Guaranty Associations	8,939,677.44
Class 2 Loss Claims	
Class 2 - Other	320,088,440.31
Class 3 Unearned Premium Claims under Non-assessable Policies	
Class 3 - Other	36,182,746.29
Class 9 Surplus Notes/Unearned Premium Claims under Assessable Policies	
Class 9 - Other	11,437,948.00
Total Liabilities	$376,648,812.04
EQUITY	
Contributed Equity - State of Florida	97,739.05
Estate Equity	(312,339,862.34)
Excess (Deficiency) of Assets over Liabilities	($312,242,123.29)
Total Liabilities and Equity	$64,406,688.75

The accompanying notes & schedules are an integral part of these financial statements
UNAUDITED

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
American Capital Assurance Corp. in Liquidaton
Statement of Cash Receipts and Disbursements
From the Date of Liquidation through 9/30/2021

	Fiscal Year to Date	Since Date of Liquidation
CASH RECEIPTS		
Premium Collections	$183,730.25	$429,656.82
Reinsurance Recoveries	4,152,713.31	9,437,956.38
Agents' Balances Recoveries	3,043,508.29	3,043,508.29
Subrogation and Salvage Recoveries	81,948.12	138,429.71
Litigation Recoveries	75.08	75.08
Other Collections / Recoveries	7,462.64	2,802,223.84
Receipts Before Investment Activities	7,469,437.69	15,851,850.12
Interest and Dividend Receipts	98,356.82	127,183.85
Sale of Short Term Investment	61,402.39	5,339,889.93
Receipts From Investment Activities	159,759.21	5,467,073.78
Total Cash Receipts	7,629,196.90	21,318,923.90
CASH DISBURSEMENTS & DISTRIBUTIONS		
Professional Fees and Expenses	118,656.15	244,800.19
Salaries and Fringe Benefits	277,522.51	810,010.69
Employee Welfare	804.11	2,869.04
Travel Expenses	0.00	8,723.27
Admin Expenses	1,411.23	416,697.51
Equipment and Furniture Expenses	37,763.29	118,400.87
Rent, Building and Equipment	1,050.32	1,356.89
Taxes	0.00	782.39
Disbursements	437,207.61	1,603,640.85
Distributions		
Administrative Claims (Class 1)	0.00	0.00
Loss Claims (Class 2)	0.00	0.00
Unearned Premium-Non-Assessable Policies Claims (Class 3)	0.00	0.00
Surplus Notes/Unearned Premium-Assessable Policies Claims (Class 9)	0.00	0.00
Total Distributed	0.00	0.00
Disbursements & Distributions Before Investment Activities	437,207.61	1,603,640.85
Financial Expenses	19,242.99	28,727.95
Disbursements for Investment Activities	19,242.99	28,727.95
Total Cash Disbursements & Distributions	**456,450.60**	**1,632,368.80**
Net Increase (Decrease) in Cash	**7,172,746.30**	**19,686,555.10**
Beginning Cash Balance:		
Beginning Cash	35,163,792.18	19,102,043.59
Adjustments to Beginning Cash	57,546.10	3,605,485.89
Adjusted Beginning Cash Balance	**35,221,338.28**	**22,707,529.48**
Ending Cash Balance	**42,394,084.58**	**42,394,084.58**

The accompanying notes & schedules are an integral part of these financial statements

UNAUDITED

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
American Capital Assurance Corp., in Liquidation
Schedule of Accrued Interest Receivable
For the Three Months Ended September 30, 2021

Accrued Interest Receivable

Description		Balance 7/31/21	Accrued	Received	Balance 9/30/21
State Treasury	SPIA, 4-20-0-010000-00000	29,061.69	98,364.45	(89,075.42)	38,350.72
	Totals:	29,061.69	98,364.45	(89,075.42)	38,350.72

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
AMCAP IN LIQUIDATION
Schedule of Reinsurance Recoverables - Net of Allowance
For Three Months Ended September 30, 2021

Reinsurance Recoverables

Recovery Agent	Balance 7/1/21	Billed	Recovered	Adjustments	9/30/21
Receiver	40,951,973.58	0.00	(4,152,713.31)	0.00	36,799,260.27
Total	40,951,973.58	0.00	(4,152,713.31)	0.00	36,799,260.27

Allowance Reinsurance

Recovery Agent	Balance 7/1/21	Increases	Decreases	9/30/2021
Receiver	(15,677,493.10)	0.00	0.00	(15,677,493.10)
Total	(15,677,493.10)	0.00	0.00	(15,677,493.10)

Reinsurance Recoverables - Net of Allowance	**21,121,767.17**

Florida Department of Financial Services, Division of Rehabilation and Liquidation
American Capital Assurance Corp., in Liquidation
Schedule of Accounts Receivable
For the Three Months Ended September 30, 2021

Other Collection, Recovery Receivable

Description	Balance 7/31/21	Adjustments/ Payments	Balance 9/30/21
Federal Income Tax Refunds 2016 & 2017 Amended Returns	0.00	2,767,404.50	2,767,404.50
	0.00	2,767,404.50	2,767,404.50

Allowance - Other Collection, Recovery Receivable

Description	Balance 7/31/21	Adjustments/ Payments	Balance 9/30/21
Federal Income Tax Refunds 2016 & 2017 Amended Returns	0.00	(2,767,404.50)	(2,767,404.50)
	0.00	(2,767,404.50)	(2,767,404.50)

Total Other Collection, Recovery Receivable - Net of Allowances	0.00

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
American Capital Assurance Corp., in Liquidation
Schedule of Long Term Investments
For the Three Months Ended September 30, 2021

Bonds

Description	Balance 7/31/21	Adjustments Deposits/Transfers	Interest	Distributions/Fees	Balance 9/30/21
Raymond James	333,537.06	(4,145.82)	0.00	0.00	329,391.24
	333,537.06	(4,145.82)	0.00	0.00	329,391.24

Real Estate Investments

Description	Balance 7/31/21	Adjustments/ Fees	Interest	Distributions	Balance 9/30/21
DCR VII Investments	327,679.94	(43,209.94)	0.00	(61,402.39)	223,067.61
	327,679.94	(43,209.94)	0.00	(61,402.39)	223,067.61

Total Long Term Investments	**552,458.85**

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
American Capital Assurance Corporation in Liquidation
Notes to Financial Statements
Dated September 30, 2021

1. **Estate Information**. American Capital Assurance Corporation was a property and casualty organization domiciled in Florida placed in liquidation on April 14, 2021.
2. **Basis of Presentation**. The accompanying financial statements have been prepared on a modified cash basis of accounting using a fiscal year of July 1, 2021 through June 30, 2022. The assets are stated at their estimated realizable values, while the liabilities are stated at their gross filed amounts and are periodically adjusted as evaluated, adjudicated and/or paid. Interest is accrued and reinsurance receivables are only posted when billed to reinsurers. In addition, the statements do not provide accruals for all future administrative expenses to liquidate the estate or costs to pursue or litigate claims against others.
3. **Unaudited**. The accompanying financial statements have not been audited by an independent certified public accountant and no opinion is expressed on their compliance with generally accepted accounting principles.
4. **Pooled Investments**. The majority of the invested assets of the estates are combined into two main pooled accounts: The Receiver's operating account held at Wells Fargo and the Special Purpose Investment Account held at the State of Florida Treasury. Each estate's share of the pooled investments is presented on the accompanying financial statements as "Pooled Cash Due from the Admin Fund".
5. **Reinsurance**. Reinsurance receivables have resulted from losses that have been paid and billed to the reinsurer(s). The financial statements reflect the gross amount of the billed losses less an allowance for any receivable(s) where there is an uncertainty regarding collectability. The receivable amount may include paid losses that are ceded to one or more reinsurance contracts being collected on behalf of the Receiver by an intermediary or the Receiver's staff.
6. **Accounts Receivable**. These account receivables consist of an agreement with the Holding Company for amended tax returns for 2016 & 2017 resulting in a potential tax recovery. The financial statements reflect the gross amount of the potential tax recovery less an allowance for where there is an uncertainty regarding collectability.
7. **Long Term Investments**. The investments are state at fair value, which approximates market value. Market values are those provided by the depository trust institution or brokerage institution in possession of the securities at the balance sheet date. These investments consist of non-taxable municipal bonds and real estate investments.
8. **Advance to Guaranty Association(s)**. Represents funds advanced to guaranty associations for the payment of covered claims and expenses. The guaranty association is obligated to promptly return any of these funds if the Receiver determines that repayment of claims of equal or superior priority is necessary.
9. **Florida Hurricane Catastrophe Fund (FHCF) Advance to Guaranty Association (FIGA)**. Represents funds advanced directly from FHCF to FIGA for the payment of covered claims and expenses pursuant to Chapter 215, Florida Statutes. The guaranty association is obligated to promptly return any or all of these funds if the Receiver determines that repayment of claims of equal or superior priority is necessary.
10. **Claims**. Unless otherwise noted, the Statement of Affairs contains claim liabilities by priority class pursuant to 631.271, Florida Statutes. Unless otherwise stated, the claim liabilities reported are gross filed, un-adjudicated, and have not been reduced by any early access payments from the Florida Receiver. Claim liability numbers are based upon the most current available information and documentation provided to the Receiver from both internal and external sources.

    - Class 1, Class 2 and Class 3 claim liabilities are based upon Guaranty Association estimates.

11. **Interest Distributions**. For companies placed into receivership on or after July 1, 2012, Section 631.271, Florida Statutes authorizes the payment of interest on claims in Classes 1-9 prior to making any payment on shareholder claims. At this time, the Receiver does not anticipate having sufficient assets in this estate to pay all claims for Classes 1-9. Accordingly, this statement does not reflect an interest reserve for Classes 1-9 allowed claims.

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
American Capital Assurance Corporation in Liquidation
Notes to Financial Statements
Dated September 30, 2021

12. **Federal Priority.** The federal government has taken the position that pursuant to 31 U.S.C.A. 3713 a federal government claim must be paid first, when a debtor to the United States is insolvent. The federal government has also taken the position that it is not subject to state insurance liquidation claim's proceedings deadlines. To establish finality, shield itself from potential liability, and ultimately discharge the estate, the Receiver will request a federal release from the U.S. Department of Justice.

13. **Contributed Equity – State of Florida**. The Receiver will, from time to time, expend public funds to carry out certain duties during the course of liquidating an insurance company. The Division accounts for these expenditures as a contribution of equity by the State.

14. **Excess (Deficiency) of Assets over Liabilities**. The excess or (deficiency) represents the estimated realizable value of assets after deducting the current estimate of liabilities. This excess or (deficiency) does not take into consideration any estimates for future administrative costs to liquidate the estate or costs to pursue or litigate claims against others.