

# THE DOMESTIC ESTATES IN LIQUIDATION

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

DECEMBER 31, 2023 and 2022  
(with Independent Auditors' Report)

# **THE DOMESTIC ESTATES IN LIQUIDATION**

## **Combined Financial Statements of the Domestic Estates in Liquidation – Modified Cash Basis**

**December 31, 2023 and 2022  
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**

#### ***Opinion***

We have audited the accompanying combined financial statements of the Domestic Estates in Liquidation (the "Company"), 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, 2023 and 2022, and the related combined statements of cash receipts and disbursements and changes in cash, cash equivalents and invested assets (unrestricted) – modified cash basis for the years then ended, and the related notes to the combined financial statements – modified cash basis.

In our opinion, the combined financial statements present fairly, in all material respects, the assets and liabilities arising from cash transactions of the Domestic Estates in Liquidation as of December 31, 2023 and 2022, and its operations and its receipts and disbursements for the years then ended, in accordance with the modified cash basis of accounting described in Note 2.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Emphasis of Matter - 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 financial statements also do not reflect any provision for incurred but not reported claim reserves.

### ***Responsibilities of Management for the Combined 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, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibilities for the Audit of the Combined Financial Statements***

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



***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 12, 2024

EISNERAMPER  
LLP



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

<b>Combined Assets</b>	<b>2023</b>	<b>2022</b>
<b>Unrestricted Assets:</b>		
Cash and Cash Equivalents	\$ 304,327,585	\$ 28,341,776
Bonds, at Fair Market Value	415,735,864	904,421,563
Investment in Limited Partnership	837,599	837,599
<b>Total Cash, Cash Equivalents, and Invested Assets</b>	<b>720,901,048</b>	<b>933,600,938</b>
Reinsurance Recoverables on Paid Losses and LAE (Note 5)	144,089,137	158,610,679
Less: Allowance for Uncollectible Reinsurance Recoverables (Note 5)	(133,875,672)	(146,208,235)
Net Reinsurance Recoverables on Paid Losses and LAE	10,213,465	12,402,444
Reinsurance Recoverables on Unpaid Losses and LAE (Note 5)	57,494,080	59,754,563
Less: Allowance for Uncollectible Reinsurance Recoverables (Note 5)	(47,416,170)	(47,886,768)
Net Reinsurance Recoverables on Unpaid Losses and LAE	10,077,910	11,867,795
Receivables from Others	3,900,000	4,400,000
Accrued Investment Income	3,388,986	2,718,456
Other Assets	3,228,716	3,577,499
<b>Total Unrestricted Assets</b>	<b>751,710,125</b>	<b>968,567,132</b>
<b>Restricted Assets:</b>		
Statutory Deposits in Various States	9,255,873	10,639,231
Other Restricted Assets	13,538,002	13,290,152
<b>Total Restricted Assets</b>	<b>22,793,875</b>	<b>23,929,383</b>
<b>Total Combined Assets</b>	<b>\$ 774,504,000</b>	<b>\$ 992,496,515</b>

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>2023</u>	<u>2022</u>
<b>Combined Liabilities</b>		
<b>Secured Claims</b>	\$ 13,413,001	\$ 13,381,238
<b>Unsecured Claims:</b>		
Class One - Administrative Claims	11,579,683	13,101,725
Class Two - Claims and Related Costs		
Adjudicated	2,373,234,951	2,576,592,925
Non-Adjudicated	<u>591,291,466</u>	<u>607,154,410</u>
Total Class Two - Claims and Related Costs	2,964,526,417	3,183,747,335
Class Three - Federal Government Claims	56,576,809	64,298,788
Class Four - Employee Claims	13,550	12,000
Class Five - State and Local Government Claims	52,770,612	52,401,978
Class Six - General Creditor Claims	380,767,225	384,307,913
Class Seven - Late Filed Claims	309,790,538	309,790,547
Class Eight - Section 1307 (Shareholder) Loans	418,792,311	418,762,311
Class Nine - Shareholder Claims	<u>112,478,183</u>	<u>112,478,183</u>
<b>Total Combined Liabilities</b>	<u>4,320,708,329</u>	<u>4,552,282,018</u>
Other Post-Employment Benefits Liability	<u>10,228,609</u>	<u>26,491,196</u>
<b>Deficit of Combined Liabilities over Combined Assets</b>	<u>(3,556,432,938)</u>	<u>(3,586,276,699)</u>
<b>Total Combined Liabilities and Deficit of Combined Assets over Combined Liabilities</b>	<u><u>\$ 774,504,000</u></u>	<u><u>\$ 992,496,515</u></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,**

	<b>2023</b>	<b>2022</b>
<b>Receipts:</b>		
Net Investment Income Received	\$ 23,231,406	\$ 10,631,259
Reinsurance Recovered	5,713,309	7,083,583
Litigation Award	2,000,000	-
Release from Statutory Deposits	1,506,872	3,214,334
Large Deductible	1,384,099	229,805
Salvage and Subrogation Recoveries	720,894	750,261
Reimbursement from Central Disbursement Account	500,000	-
Miscellaneous	313,030	892,316
Transfer from Segregated Account	178,031	550,139
Rental Income	91,758	91,892
Premiums Collected	10,008	2,175,211
Proceeds from Sale of Real Estate	-	756,724
Abandon Property	-	638,021
	<u>35,649,407</u>	<u>27,013,545</u>
<b>Disbursements:</b>		
Payments to Guaranty Associations and Creditors	<u>243,427,789</u>	<u>5,831,844</u>
<b>Operating Expenses:</b>		
Salaries	4,968,729	5,704,681
Employee Relations and Welfare	4,026,885	4,105,852
Rent and Related Expenses	2,132,892	2,242,300
Professional Fees	2,046,241	3,205,732
General and Administrative Expenses	<u>1,230,831</u>	<u>1,270,387</u>
<b>Total Operating Expenses</b>	<u>14,405,578</u>	<u>16,528,952</u>
<b>Other Disbursements:</b>		
Large Deductible	1,245,796	57,869
Release of Funds to Non-New York Liquidator	336,015	-
Miscellaneous	188,611	390,422
Losses Paid/Return Premiums	93,849	836,015
Salvage and Subrogation	74,933	64,512
Transfer to Segregated Account	41,678	926,181
Loss Adjustment Expense	<u>64,547</u>	<u>49,649</u>
<b>Total Other Disbursements</b>	<u>2,045,429</u>	<u>2,324,648</u>
<b>Total Disbursements</b>	<u>259,878,796</u>	<u>24,685,444</u>
<b>Disbursements over Receipts</b>	<u>(224,229,389)</u>	<u>2,328,101</u>
<b>Cash, Cash Equivalents and Invested Assets (Unrestricted),</b> <b>Beginning of Year</b>	933,600,938	928,216,053
Cash Equivalents and Invested Assets (Unrestricted), Balances of New and Closed Estates	-	27,499,450
Net Change in Unrealized Losses on Investments	<u>11,529,499</u>	<u>(24,442,666)</u>
<b>Cash, Cash Equivalents and Invested Assets (Unrestricted),</b> <b>End of Year</b>	<u>\$ 720,901,048</u>	<u>\$ 933,600,938</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, 2023 and 2022**

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

**A. 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 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, 2023 and 2022 pertain to the financial statements for each domestic Estate in liquidation set forth below (those estates included in these financial statements are identified by an “x” in the respective year)

**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, 2023 and 2022**

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

**A. Background (continued)**

<b>Estate Names</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>Liquidation Date</b>	<b>Bar Date</b>
Alliance National Insurance Company “ANIC”	X	X	August 21, 2020	February 24, 2021
American Medical and Life Insurance Co. “AMLI”	X	X	December 28, 2016	September 28, 2017
Atlantic Mutual Insurance Company “AMIC”	X	X	April 27, 2011	December 15, 2013
Atlantis Health Plan Inc. “Atlantis”	X	X	April 19, 2019	October 11, 2019
Centennial Insurance Company “Centennial”	X	X	April 27, 2011	December 15, 2013
Cuatro, LLC “Cuatro”	X	X	August 6, 2018	February 2, 2019
Eveready Insurance Company “Eveready”		X	January 29, 2015	January 29, 2016
Fiduciary Insurance Co. of America “FIC”	X	X	July 25, 2017	September 24, 2018
First Central Insurance Company “FCIC”	X	X	April 27, 1998	April 30, 2013
Freelancers Insurance Co “Freelancers”		X	January 11, 2022	July 11, 2022
Frontier Insurance Company “Frontier”	X	X	November 16, 2012	December 31, 2013
Global Liberty Ins. Co. of NY “Global”	X	X	October 13, 2021	October 13, 2022
Health Republic Insurance of NY Corp “HRINY”.		X	May 11, 2016	August 9, 2021
Ideal Mutual Insurance Company “Ideal”	X	X	February 7, 1985	December 31, 2003
Maidstone Insurance Company “Maidstone”	X	X	February 13, 2020	February 13, 2021
Midland Insurance Company “Midland”	X	X	April 3, 1986	January 31, 2012
One Title National Guaranty Co., Inc. “OneTitle”		X	October 6, 2020	April 6, 2021
Park Insurance Company “Park”	X	X	November 30, 2021	November 30, 2023
Quality Health Plans of NY, Inc. “QHPNY”	X	X	September 9, 2020	January 9, 2021
The Insurance Corporation of New York “INSCORP”	X	X	March 10, 2010	December 31, 2012
Touchstone Health HMO, Inc. “Touchstone”	X	X	May 11, 2018	November 13, 2018
Union Indemnity Insurance Company of New York “Union”	X	X	July 16, 1985	July 19, 2010

**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, 2023 and 2022**

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

**A. Background (continued)**

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”).

Under New York Insurance Law Section 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.

**B. 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 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.

**C. 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, 2023 and 2022**

**Note 2: Summary of Significant Accounting Policies**

**A. 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, 2023, and 2022:

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, 2023 and 2022**

**Note 2: Summary of Significant Accounting Policies (continued)**

**A. 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.

**B. 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”). As of December 31, 2023 and 2022, 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).

Reinsurance

Reinsurance recoverables on paid or allowed losses and loss adjustment expenses (“LAE”) are reported as an asset. Reinsurance recoverables on unpaid and non-adjudicated 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.

**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, 2023 and 2022**

**Note 2: Summary of Significant Accounting Policies (continued)**

**B. Combined Assets (continued)**

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, 2023 and 2022, the Receivables from Others totaled \$3,900,000 and \$4,400,000, respectively. The CDA is discussed in further detail in Note 10.

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, (ii) large deductible receivables and premium receivables on audits, and federal income tax receivable.

As of December 31, 2023 and 2022, Other Assets by Estate are as follows:

<u>Estate</u>	<u>2023</u>	<u>2022</u>
AMIC	\$ 2,114,069	\$ 2,617,821
FIC	434,406	434,404
ANIC	555,108	400,141
Centennial	112,463	112,463
AMLI	12,670	12,670
Total	<u>\$ 3,228,716</u>	<u>\$ 3,577,499</u>

**C. Restricted Assets**

Statutory Deposits in Various States

Statutory Deposits in Various 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, 2023 and 2022**

**Note 2: Summary of Significant Accounting Policies (continued)**

**C. 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, 2023, 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):

<b>Domestic Estate in Liquidation</b>	<b>Statutory Deposits</b>	<b>Restricted Assets</b>		<b>Total</b>
		<b>Funds Held for Secured Claims</b>	<b>Other Assets</b>	
Atlantic Mutual	\$ 3,814,421	\$ 2,495,620	\$ 688,613	\$ 6,998,654
Centennial	3,429,519	589,312	229,538	4,248,369
Union	-	3,179,994	7,728	3,187,722
Frontier	313,813	1,726,359	-	2,040,172
Inscorp	108,291	544,718	990,248	1,643,257
Global	735,859	-	815,674	1,551,533
Maidstone	853,553	-	527,659	1,381,212
Midland	-	638,542	415,929	1,054,471
Ideal	-	-	429,182	429,182
Health Republic	-	-	233,529	233,529
Cuatro	-	-	25,357	25,357
American Medical	417	-	-	417
Total	<u>\$ 9,255,873</u>	<u>\$ 9,174,545</u>	<u>\$ 4,363,457</u>	<u>\$ 22,793,875</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, 2023 and 2022**

**Note 2: Summary of Significant Accounting Policies (continued)**

**C. Restricted Assets (continued)**

As of December 31, 2022, 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):

Domestic Estate in Liquidation	Statutory Deposits	Restricted Assets			Total
		Security Fund Cash	Funds Held for Secured Claims	Other Assets	
Atlantic Mutual	\$ 4,826,810	\$ -	\$ 2,424,602	\$ 688,614	\$ 7,940,026
Centennial	3,410,173	-	571,634	229,538	4,211,345
Union	-	-	3,135,886	7,728	3,143,614
Frontier	581,756	-	1,717,815	-	2,299,571
Inscorp	106,907	-	538,747	990,248	1,635,902
Global	735,324	-	-	815,674	1,550,998
Maidstone	842,264	-	-	527,691	1,369,955
Midland	-	254	629,691	415,929	1,045,874
Ideal	-	-	-	435,048	435,048
American Medical	135,997	-	-	-	135,997
Freelancers	-	-	100,507	-	100,507
OneTitle	-	-	35,189	-	35,189
Cuatro	-	-	-	25,357	25,357
Total	<u>\$ 10,639,231</u>	<u>\$ 254</u>	<u>\$ 9,154,071</u>	<u>\$ 4,135,827</u>	<u>\$ 23,929,383</u>

**D. 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, 2023 and 2022, Secured Claims totaled \$13,413,001 and \$13,381,238, 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**  
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**Note 2: Summary of Significant Accounting Policies (continued)**

**D. 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.

Adjudicated Claims

Adjudicated 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-Adjudicated Claims are preliminary estimates established for claims that have not yet been allowed. Non-Adjudicated 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 adjust based on the following factors: applicable contracts; comparative liability; injuries and casual 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**  
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**Note 2: Summary of Significant Accounting Policies (continued)**

**D. 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**  
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**Note 2: Summary of Significant Accounting Policies (continued)**

**D. 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 \$1,200 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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**Note 2: Summary of Significant Accounting Policies (continued)**

**D. 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 assets 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.

**THE DOMESTIC ESTATES IN LIQUIDATION**  
**Notes to Combined Financial Statements of the Domestic Estates In Liquidation**  
**– Modified Cash Basis**  
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**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, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Interest on Bonds	\$ 10,980,045	\$ 8,692,217
Interest on Short-Term Investments and Cash		
Equivalents	2,662,370	219,997
Realized (Loss) Gain on Sale of Investments	(713,250)	(584,479)
Dividends	-	5,629
Total Gross Investment Income	12,929,165	8,333,364
Net Amortization (Depreciation) of Bond Premium		
and Discount	10,302,241	2,297,895
Net Investment Income Received	<u>\$ 23,231,406</u>	<u>\$ 10,631,259</u>

As of December 31, 2023 and December 31, 2022, respectively, the cost or amortized cost and fair market value of bonds, by asset class are as follows:

Asset Class	<u>December 31, 2023</u>			
	<u>Cost or Amortized Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Fair Market Value</u>
Asset Backed	\$ 3,316,370	\$ -	\$ (62,290)	\$ 3,254,080
Corporate	174,290,608	262,190	(2,371,490)	172,181,308
Government	18,356,365	-	(252,038)	18,104,327
Mortgage Backed	3,549,436	15,496	(183,604)	3,381,328
Short Term	54,858,477	10,756	-	54,869,233
Tax-Exempt Municipal	269,331	-	(6,521)	262,810
Treasury	169,353,337	133,789	(5,804,348)	163,682,778
	<u>\$ 423,993,924</u>	<u>\$ 422,231</u>	<u>\$ (8,680,291)</u>	<u>\$ 415,735,864</u>

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

Asset Class	December 31, 2022			
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
Asset Backed	\$ 33,174,154	\$ -	\$ (581,203)	\$ 32,592,951
Corporate	261,499,254	244,909	(6,811,791)	254,932,372
Government	58,282,227	449	(1,524,743)	56,757,933
Mortgage Backed	4,701,424	12,594	(288,783)	4,425,235
Short Term	224,772,792	3,812	(103,516)	224,673,088
Tax-Exempt Municipal	786,746	-	(11,711)	775,035
Treasury	340,992,521	237	(10,727,809)	330,264,949
	<u>\$ 924,209,118</u>	<u>\$ 262,001</u>	<u>\$ (20,049,556)</u>	<u>\$ 904,421,563</u>

As of December 31, 2023 and December 31, 2022, 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):

Domestic Estates in Liquidation	December 31, 2023			
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
ANIC	\$ 4,937,182	\$ 16,701	\$ (22,806)	\$ 4,931,077
AMIC	45,066,019	53,000	(1,036,099)	44,082,920
AMLI	590,552	2,089	-	592,641
Atlantis	1,159,488	-	(23,888)	1,135,600
Centennial	28,765,802	31,020	(673,161)	28,123,661
Cuatro	3,799,684	-	(107,622)	3,692,062
FIC	13,809,408	16,893	(152,539)	13,673,762
FCIC	2,185,488	-	(114,546)	2,070,942
Frontier	12,546,778	7,386	(83,499)	12,470,665
Global Liberty	3,293,672	-	(185,519)	3,108,153
HRINY	48,094,145	20,873	(787,576)	47,327,442
Ideal	7,278,200	20,840	(21,440)	7,277,600
Maidstone	13,797,915	11,557	(367,986)	13,441,486
INSCORP	11,771,879	4	(224,928)	11,546,955
Midland	202,926,324	228,445	(4,263,647)	198,891,122
Park	8,352,978	10,445	(302,509)	8,060,914
QHPNY	244,092	-	(1,514)	242,578
Touchstone	5,101,543	-	(135,934)	4,965,609
Union	10,272,775	2,978	(175,078)	10,100,675
Total	<u>\$ 423,993,924</u>	<u>\$ 422,231</u>	<u>\$ (8,680,291)</u>	<u>\$ 415,735,864</u>

**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)**

Domestic Estates in Liquidation	December 31, 2022			
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
ANIC	\$ 4,354,860	\$ -	\$ (121,338)	\$ 4,233,522
AMIC	79,783,359	42,287	(2,179,323)	77,646,323
AMLI	1,153,265	-	(28,883)	1,124,382
Atlantis	2,611,138	-	(80,649)	2,530,489
Centennial	42,243,811	16,700	(1,321,290)	40,939,221
Cuatro	4,361,803	-	(239,240)	4,122,563
Eveready	210,949	-	(1,964)	208,985
FIC	42,337,145	14,856	(577,156)	41,774,845
FCIC	2,529,521	-	(171,900)	2,357,621
Freelancers	1,965,875	-	(63,717)	1,902,158
Frontier	34,937,225	1,298	(528,628)	34,409,895
Global Liberty	4,277,082	-	(296,033)	3,981,049
HRINY	252,418,204	3,575	(2,042,566)	250,379,213
Ideal	8,264,344	-	(261,730)	8,002,614
Maidstone	22,914,082	11,551	(687,212)	22,238,421
INSCORP	13,368,892	3	(655,379)	12,713,516
Midland	359,739,687	157,245	(9,464,354)	350,432,578
Park	18,242,226	13,826	(548,978)	17,707,074
QHPNY	716,172	-	(9,491)	706,681
Touchstone	5,098,331	237	(266,409)	4,832,159
Union	22,681,147	423	(503,316)	22,178,254
Total	<u>\$ 924,209,118</u>	<u>\$ 262,001</u>	<u>\$ (20,049,556)</u>	<u>\$ 904,421,563</u>

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

December 31, 2023						
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	\$ 101,471,205	\$ (1,477,219)	\$ 179,330,021	\$ (7,203,072)	\$ 280,801,226	\$ (8,680,291)
Total	\$ 101,471,205	\$ (1,477,219)	\$ 179,330,021	\$ (7,203,072)	\$ 280,801,226	\$ (8,680,291)

December 31, 2022						
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	\$ 512,188,256	\$ (4,401,723)	\$ 286,538,730	\$ (15,647,833)	\$ 798,726,986	\$ (20,049,556)
Total	\$ 512,188,256	\$ (4,401,723)	\$ 286,538,730	\$ (15,647,833)	\$ 798,726,986	\$ (20,049,556)

**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, 2023 and 2022**

**Note 3: Unrestricted Investments (continued)**

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, 2023 and 2022.

The amortized cost and fair market value of bonds held to maturity at December 31, 2023 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	2023	
	Fair Market Value	Amortized Cost
Due within one year	\$ 200,537,861	\$ 201,885,570
Due after one year and before five years	212,010,081	218,758,038
Due after five years and before ten years	2,078,217	2,144,071
Due after ten years	1,109,705	1,206,245
<b>Total Combined Domestic Estates</b>	<b>\$ 415,735,864</b>	<b>\$ 423,993,924</b>

Proceeds received from sales and maturities of bonds and net gains (losses) for the years ended December 31, 2023 and 2022 are as follows:

	Proceeds Received		Net gains (losses) on Called or Sold Bonds for The Years Ended	
	2023	2022	2023	2022
Alliance National	\$ 3,760,000	\$ 99,493	\$ -	\$ (1,768)
American Medical	1,410,000	180,000	-	-
Atlantic Mutual	68,978,308	60,502,506	(38,510)	(23,092)
Atlantis	1,760,000	1,575,000	-	-
Centennial	30,484,952	24,714,955	(17,598)	(10,049)
Cuatro	695,000	845,000	-	-
Fiduciary	53,858,181	40,435,737	(90,325)	(20,971)
First Central	730,000	400,000	-	-
Frontier	46,974,203	24,102,861	(706)	504
HRINY	216,146,570	449,320,933	(234,468)	(106,930)
Ideal	6,215,000	735,000	-	-
Inscorp	1,583,239	4,042,360	(17,348)	-
Maidstone	22,175,112	9,453,345	(3,774)	(8,417)
Midland	377,786,773	209,778,495	(240,369)	(338,857)
Park Insurance Company	11,513,854	19,252,579	(36,007)	(72,682)
Quality Health Plan	1,215,000	168,541	-	(1,485)
Touchstone	-	1,310,000	-	-
Union	26,328,333	16,224,540	(5,925)	(732)
<b>TOTALS</b>	<b>\$ 871,614,525</b>	<b>\$ 863,141,345</b>	<b>\$ (685,030)</b>	<b>\$ (584,479)</b>



**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)**

Mortgage-Backed Securities

In 2023 and 2022, Management identified 39 and 41 mortgage-backed securities, respectively, with amortized costs of approximately \$3,549,436 and \$4,701,211, respectively. The mortgage-backed securities were carried at a fair market value of \$3,381,328 in 2023 and \$4,425,024 in 2022.

After reviewing these securities, Management has determined that, based on the information currently available to it, at December 31, 2023, 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.

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.

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

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 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, 2023:

	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>	<b>Total Fair Value</b>
As of December 31, 2023:				
Unrestricted Assets:				
U.S. Government	\$ -	\$ 218,552,215	\$ -	\$ 218,552,215
U.S. Agencies	-	1,474,567	-	1,474,567
Mortgage-Backed Securities	-	6,635,404	-	6,635,404
Corporate Bonds	-	189,073,678	-	189,073,678
Restricted Assets:				
Corporate Bonds	-	232,630	-	232,630
Total	<u>\$ -</u>	<u>\$ 415,968,494</u>	<u>\$ -</u>	<u>\$ 415,968,494</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, 2023 and 2022**

**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, 2022:

	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>	<b>Total Fair Value</b>
As of December 31, 2022:				
Unrestricted Assets:				
U.S. Government	\$ -	\$ 554,938,013	\$-	\$ 554,938,013
U.S. Agencies	-	1,451,442	-	1,451,442
Mortgage-Backed Securities	-	37,017,976	-	37,017,976
Corporate Bonds	-	311,014,132	-	311,014,132
Restricted Assets:				
Corporate Bonds	-	237,195	-	237,195
Total	\$ -	\$ 904,658,758	\$-	\$ 904,658,758

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.

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

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 2023 and 2022.

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.

There were no significant transfers into or transfers out of Levels 1, 2 or 3. There were no changes in valuation techniques during 2023 and 2022.

**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 Insurance Law Section 7427, 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.

**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, 2023 and 2022**

**Note 6: HRINY vs. United States Stipulation and Judgement**

On April 9, 2021, the New York Supreme Court supervising the HRINY 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 entered a judgment in favor of HRINY for amounts due under the Risk Corridors program for benefit years 2014 and 2015 and entered a judgment against HRINY 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 HRINY. The netting of the two judgments resulted in a positive balance in favor of HRINY for the Judgment Amount.

On May 14, 2021, the United States paid Health Republic the Judgment Amount of \$220,838,583, after the netting of receivables and payables.

**Note 7: HRINY Start-Up and Solvency Loans**

On February 17, 2012, 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 was as follows:

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

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.

**THE DOMESTIC ESTATES IN LIQUIDATION**  
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**For the Years Ended December 31, 2023 and 2022**

**Note 7: HRINY Start-Up and Solvency Loans (continued)**

The solvency loan had an interest rate of 0.37%. Prior to 2019, principal and interest were deferred. During 2020 through 2021, interest only payments were due. During 2021 through 2033, principal and interest payments were 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 Stipulation Agreement and the Judgement discussed in Note 6 allowed a Class Eight claim of the United States under the Solvency Loan in the amount of \$246,976,418, which is included as a Class Eight – Section 1307 (Shareholder) Loans as of December 31, 2023 and 2022.

**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, 2023 and 2022**

**Note 8: 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, 2023:

Claims unpaid, as of December 31, 2022	\$ 217,988,371
Incurred claims – current period	-
Paid claims – current period	<u>(195,234,643)</u>
Claims unpaid, as of December 31, 2023	<u>\$ 22,753,728</u>

There were no changes in claims adjustment expenses unpaid, net of reinsurance, for the year ended December 31, 2023.

**Note 9: Related-Party Transactions**

For the years ended December 31, 2023 and 2022, 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, 2023 and 2022, the amounts remaining due to the NYLB are approximately \$.9 million and \$3.0 million, respectively, and are included in Class One – Administrative Claims. During 2023 and 2022, the Combined Domestic Estates in Liquidation paid approximately \$14.4 million and \$16.5 million, respectively, of allocated expenses, detailed as follows:

	<u>2023</u>	<u>2022</u>
Salaries	\$ 4,968,729	\$ 5,704,681
Employee Relations and Welfare	4,026,885	4,105,852
Professional Fees	2,046,241	3,205,732
Rent and Related Expenses	2,132,892	2,242,300
General and Administrative	<u>1,230,831</u>	<u>1,270,387</u>
	<u>\$ 14,405,578</u>	<u>\$ 16,528,952</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, 2023 and 2022**

**Note 10: 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. The NYLB uses the money in the CDA to pay administrative expenses such as salaries, employee relations and welfare, payroll, rent and related expenses, and office expenses. Such administrative expenses are allocated monthly among the Domestic Estates in Liquidation, Security Funds, ancillary Estates, and fraternal associations.

**Note 11: 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. Two Estates, 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 Liability 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 AMIC and Centennial Estates, these reserves will be adjusted as needed.

As of December 31, 2023 and 2022, the reserves for AMIC and Centennial and the corresponding reinsurance, if any, are as follows and reported as a Class Two – Non-Allowed Liability:



**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, 2023 and 2022**

**Note 11: Asbestos and Environmental Reserves (continued)**

	<u>2023</u>	<u>2022</u>
<b>AMIC</b>		
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>2023</u>	<u>2022</u>
<b>Centennial</b>		
Gross Reserves--		
Asbestos	\$ 36,945,889	\$ 29,285,777
Product	11,517,936	11,517,936
Total Gross Reserves	48,463,825	40,803,713
Less Ceded Reserves	(36,922,241)	(31,086,414)
Net Reserves	<u>\$ 11,541,584</u>	<u>\$ 9,717,299</u>

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

**Note 12: 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.

**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, 2023 and 2022**

**Note 12: Taxes (continued)**

At December 31, 2023, certain Domestic Estates in Liquidation had unused NOL carry-forwards available to offset against future taxable income as follows:

<b>Estate</b>	<b>Year NOL Carry- forward Begins Expiring</b>	<b>NOL Carry-forward @ 12/31/22</b>	<b>New Estate Carryover</b>	<b>Expired NOL and Final Return</b>	<b>Taxable Income (Loss) for 2023</b>	<b>Section Reduction of (NOL) Form 982</b>	<b>NOL Carry- forward @ 12/31/2023</b>
Alliance National	2040	\$ (106,151,501)	\$ -	\$ -	\$ 18,346,709	\$ -	\$ (87,804,792)
American Medical	2029	(12,912,811)	-	-	(56,099)	6,949,552	(6,019,358)
Atlantic Mutual	2025	(634,229,605)	-	-	(1,263,278)	7,193,028	(628,299,855)
Atlantis Health Plans Inc.	2039	(588,226)	-	-	26,135	-	(562,091)
Centennial	2024	(336,412,574)	-	-	(1,675,818)	3,601,061	(334,487,331)
Cuatro, LLC	2031	(32,057,883)	-	-	(159,777)	-	(32,217,660)
Eveready	N/A	(34,375,803)	-	33,161,245	(45,074)	1,259,632	-
Fiduciary	2034	(277,816,089)	-	-	(6,260,388)	11,129,745	(272,946,732)
First Central	2033	(1,887,963)	-	-	(428,742)	-	(2,316,705)
Freelancers Insurance Co.	N/A	(8,415,074)	-	10,756,316	(2,341,242)	-	-
Frontier	2033	(80,690,195)	-	-	(889,347)	-	(81,579,542)
Global Liberty Insurance Co.	2041	(25,966,250)	-	-	(11,764,449)	-	(37,730,699)
Health Republic	N/A	(365,808,789)	-	183,338,386	182,470,403	-	-
Ideal Mutual	2035	(348,745,001)	-	-	(10,434,155)	10,124,419	(349,054,737)
INSCORP	2024	(123,015,245)	-	-	(1,504,347)	879,515	(123,640,077)
Maidstone Insurance Co.	2035	(35,013,530)	-	-	(1,575,437)	-	(36,588,967)
Midland Insurance	2024	(1,049,869,668)	-	-	9,563,319	-	(1,040,306,349)
OneTitle	N/A	(657,021)	-	800,173	(143,152)	-	-
Park Insurance Co.	2041	(30,770,605)	-	-	(21,257,044)	-	(52,027,649)
Quality Health Plans	2030	(22,665,211)	-	-	(1,071,630)	-	(23,736,841)
Touchstone	2027	(8,714,819)	-	-	(120,485)	-	(8,835,304)
Union	2024	(199,948,288)	-	13,855,690	532,623	-	(185,559,975)
<b>Totals</b>		<u>\$ (3,736,712,151)</u>	<u>\$ -</u>	<u>\$ 241,911,810</u>	<u>\$ 149,948,725</u>	<u>\$ 41,136,952</u>	<u>\$ (3,303,714,664)</u>
<b>Valuation Allowance</b>		<u>\$ 3,736,712,151</u>	<u>\$ -</u>	<u>\$ (241,911,810)</u>	<u>\$ (149,948,725)</u>	<u>\$ (41,136,952)</u>	<u>\$ 3,303,714,664</u>

As of December 31, 2023, the Combined Domestic Estates in Liquidation have accumulated NOLs of approximately \$3.3 billion. Because the Estates are in liquidation, it is uncertain whether these NOLs will be utilized.

**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, 2023 and 2022**

**Note 13: 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, 2023 and 2022, the Domestic Estates have accrued liabilities for post-employment benefit plans of approximately \$33.5 million and \$37.9 million, respectively. This liability is allocated among the Domestic Estates based on allocated salary attributable to each Estate.

The NYLB classifies OPEB liabilities as a Class One claim only with regard to the amount that the Estate is 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 estimated portion of allocated OPEB liability that would be payable had the estate remained open. Upon closure of the Estate, this portion of the Estate’s OPEB liability remains unfunded and is removed from the Estate’s balance sheet and reallocated among the remaining Estates at that time.

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.

**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, 2023 and 2022**

**Note 13: Employers’ Accounting for Defined Benefit Pension and Other Post-Employment Benefit Plans (“OPEB”) (continued)**

In 2023 and 2022, the OPEB liability in Class One totaled \$10,047,907 and \$11,397,997, respectively. The OPEB liabilities which are included as a separate line item, “Other Post-Employment Benefits”, totaled \$10,228,609 in 2023 and \$26,491,196 in 2022.

An independent actuarial firm conducted a valuation of the OPEB liability for the years ended December 31, 2023 and 2022, and reported its conclusions in reports dated February 1, 2024 and January 21, 2023, respectively (collectively, “Actuarial Reports”). Pursuant to the Actuarial Reports, discount rates of 4.75% and 5.00% were used for Benefit Obligations in 2023 and 2022, respectively, and 4.75% and 2.75% used for Net Benefit Cost in 2023 and 2022, 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:

	<u><b>2023</b></u>		<u><b>2022</b></u>
OPEB (Initial Accrual) as of January 1, 2023:	<u>\$ 37,889,193</u>	OPEB (Initial Accrual) as of January 1, 2022:	<u>\$ 49,827,772</u>
OPEB as of December 31, 2023:	<u>\$ 33,481,377</u>	OPEB as of December 31, 2022:	<u>\$ 37,889,193</u>
Net Periodic Benefit Cost for the Fiscal Year 2023:	<u>\$ 416,039</u>	Net Periodic Benefit Cost for the Fiscal Year 2022:	<u>\$ 735,815</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, 2023 and 2022**

**Note 13: 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, 2023 and 2022:

<b>Reconciliation of benefit obligation</b>	<b>Post-Employment Benefits</b>	
	<b>2023</b>	<b>2022</b>
Obligation at beginning of year	\$ 30,972,261	\$ 49,827,772
Service cost including expenses	279,260	519,092
Interest cost	1,528,260	1,257,779
Actuarial loss / (gain)	2,826,656	(11,348,223)
Benefit payments and expected expenses	(2,125,060)	(2,367,227)
Obligation at end of year	<u>\$ 33,481,377</u>	<u>\$ 37,889,193</u>

**Reconciliation of fair value of plan assets**

Fair value of plan assets at beginning of year	\$ -	\$ -
Employer contributions	2,125,191	2,138,090
Benefit payments and actual expenses	(2,125,191)	(2,138,090)
Fair value of plan assets at end of year	<u>-</u>	<u>-</u>
Unfunded status at end of year	<u>\$ (33,481,377)</u>	<u>\$ (37,889,193)</u>

Amounts recognized in unrestricted net assets consist of:

	<b>Post-Employment Benefits</b>	
	<b>2023</b>	<b>2022</b>
Transition asset/obligations	\$ -	\$ -
Prior service credit/cost	-	-
Gain	<u>10,142,206</u>	<u>18,046,686</u>
	<u>\$ 10,142,206</u>	<u>\$ 18,046,686</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, 2023 and 2022**

**Note 13: Employers’ Accounting for Defined Benefit Pension and Other Post-Employment Benefits (“OPEB”) (continued)**

**Cash Flows**

**Expected Future OPEB Payments**

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

<b><u>Fiscal Year Ending:</u></b>	<b><u>OPEB Payment</u></b>
2024	\$ 1,883,283
2025	\$ 1,961,972
2026	\$ 2,036,466
2027	\$ 2,113,342
2028	\$ 2,172,384
Years 2029-2033	\$ 11,108,470

**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 are eligible for participation in the New York and Local Employee’s Retirement System (“NYSLRS”). Membership is mandatory and automatic for regular, full-time M/C employees, except for those eligible for the Voluntary Defined Contribution Plan option. 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 employees 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. If an employee joined the Employees’ Retirement System on or after April 1, 2012, that employee is Tier 6. 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. Eligible NYLB employees newly hired after July 1, 2013 have the option to choose either the traditional defined benefit plan, the State pension through NYSLRD or the Voluntary Defined Contribution Plan for their retirement benefits. This option is made available to all unrepresented employees of NYS public employers hired on or after that date, and who earn \$75,000 or more on an annual basis. An employee has 30 days from the date of hire to enroll. After 30 days, employees are defaulted into the State pension through NYSLRS.

**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, 2023 and 2022**

**Note 13: Employers’ Accounting for Defined Benefit Pension and Other Post-Employment Benefits (“OPEB”) (continued)**

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 14: 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.

**Note 15: Subsequent Events**

Subsequent events have been reviewed through July 12, 2024, 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.

**Reinsurance Collected**

The amount of reinsurance collected for each Domestic Estate in Liquidation subsequent to December 31, 2023, is listed in the table below. This table represents all cash collected relating to reinsurance recoverable balances open at December 31, 2023, and billed and subsequently received through July 12, 2024.

<b>Domestic Estate in Liquidation</b>	<b>Collections of Reinsurance Recoverable on Paid Losses and LAE</b>
Global	\$ 469,487
FCIC	123,341
Frontier	18,792
<b>Total</b>	<b>\$ 611,620</b>

**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, 2023 and 2022**

**Note 15: Subsequent Events (continued)**

The following Estates were closed subsequent to December 31, 2023 to July 12, 2024:

American Medical and Life Insurance Company	January 19, 2024
Frontier Insurance Company	March 7, 2024
Cuatro LLC	March 15, 2024

**Distributed Dividends**

The following Domestic Estates in Liquidation made dividend distributions subsequent to December 31, 2023 through July 12, 2024.

HRINY	\$ 40,087,396
Frontier	36,401,256
Cuatro	2,502,256
AMLI	1,451,420
<b>Total</b>	<u><u>\$ 80,442,328</u></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, 2023 and 2022, 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 12, 2024, 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, 2023 and 2022 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 12, 2024

Supplementary Schedules  
**Appendix A**  
December 31, 2023 and 2022  
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, 2023 AND 2022

<u>Assets</u>	<u>AMERICAN MEDICAL</u>		<u>ALLIANCE NATIONAL</u>		<u>ATLANTIC MUTUAL</u>		<u>ATLANTIS HEALTH</u>		<u>CENTENNIAL</u>		<u>CUATRO</u>	
	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
<b>Unrestricted Assets:</b>												
Cash and Cash Equivalents	\$ 894,797	\$ 291,713	\$ 2,546,977	\$ 190,674	\$ 39,116,383	\$ 1,969,196	\$ 1,796,640	\$ 297,631	\$ 15,631,720	\$ 1,675,115	\$ 608,875	\$ 190,648
Investments												
Mortgage Loan	-	-	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-	-	-
Investments in Ltd. Partnership	-	-	-	-	-	-	-	-	-	-	-	-
Certificate of Deposit	-	-	-	-	-	-	-	-	-	-	-	-
Bonds, at Fair Market Value	592,641	1,124,381	4,931,078	4,233,522	44,082,916	77,646,322	1,135,600	2,530,489	28,123,665	40,939,221	3,692,061	4,122,563
Common Stocks, Unaffiliated at Fair Market Value	-	-	-	-	-	-	-	-	-	-	-	-
Other Invested Assets	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	592,641	1,124,381	4,931,078	4,233,522	44,082,916	77,646,322	1,135,600	2,530,489	28,123,665	40,939,221	3,692,061	4,122,563
<b>Total Cash, Cash Equivalents and Investments</b>	<b>1,487,438</b>	<b>1,416,094</b>	<b>7,478,055</b>	<b>4,424,196</b>	<b>83,199,299</b>	<b>79,615,518</b>	<b>2,932,240</b>	<b>2,828,120</b>	<b>43,755,385</b>	<b>42,614,336</b>	<b>4,300,936</b>	<b>4,313,211</b>
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	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash, Cash Equivalents, Investments and Other Invested Assets (Unrestricted)</b>	<b>1,487,438</b>	<b>1,416,094</b>	<b>7,478,055</b>	<b>4,424,196</b>	<b>83,199,299</b>	<b>79,615,518</b>	<b>2,932,240</b>	<b>2,828,120</b>	<b>43,755,385</b>	<b>42,614,336</b>	<b>4,300,936</b>	<b>4,313,211</b>
Reinsurance Recoverables on Paid Losses and LAE	-	-	-	1,619,515	13,479,515	13,802,573	-	-	4,835,898	4,849,306	-	-
Less: Allowance for Uncollectible Reinsurance Recoverables	-	-	-	(1,619,515)	(11,646,135)	(11,874,837)	-	-	(4,138,020)	(4,139,791)	-	-
Net Reinsurance Recoverables on Paid Losses and LAE	-	-	-	-	1,833,380	1,927,736	-	-	697,878	709,515	-	-
Reinsurance Recoverables on Unpaid Losses and LAE	-	-	2,477,019	3,001,942	8,236,948	9,532,311	-	-	13,404,547	13,619,130	-	-
Less: Allowance for Uncollectible Reinsurance Recoverables	-	-	(2,477,019)	(3,001,942)	(5,709,263)	(6,131,018)	-	-	(10,393,397)	(10,441,313)	-	-
Net Reinsurance Recoverables on Unpaid Losses and LAE	-	-	-	-	2,527,685	3,401,293	-	-	3,011,150	3,177,817	-	-
Receivables from Others	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Investment Income	4,980	323	32,828	7,699	392,433	254,380	11,386	6,058	190,968	157,453	14,151	13,093
Other Assets	12,670	12,670	555,108	400,141	2,114,069	2,617,819	-	-	112,463	112,463	-	-
Receivable from CMS	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for Uncollectible Receivable from CMS	-	-	-	-	-	-	-	-	-	-	-	-
Net Receivable from CMS	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Unrestricted Assets</b>	<b>1,505,088</b>	<b>1,429,087</b>	<b>8,065,991</b>	<b>4,832,036</b>	<b>90,066,866</b>	<b>87,816,746</b>	<b>2,943,626</b>	<b>2,834,178</b>	<b>47,767,844</b>	<b>46,771,584</b>	<b>4,315,087</b>	<b>4,326,304</b>
<b>Restricted Assets:</b>												
Statutory Deposits in New York or Other States	417	135,997	-	-	3,814,421	4,826,810	-	-	3,429,519	3,410,173	-	-
Other Restricted Assets	-	-	-	-	3,184,233	3,113,215	-	-	818,850	801,172	25,357	25,357
<b>Total Restricted Assets</b>	<b>417</b>	<b>135,997</b>	<b>-</b>	<b>-</b>	<b>6,998,654</b>	<b>7,940,025</b>	<b>-</b>	<b>-</b>	<b>4,248,369</b>	<b>4,211,345</b>	<b>25,357</b>	<b>25,357</b>
<b>Total Assets</b>	<b>\$ 1,505,505</b>	<b>\$ 1,565,084</b>	<b>\$ 8,065,991</b>	<b>\$ 4,832,036</b>	<b>\$ 97,065,520</b>	<b>\$ 95,756,771</b>	<b>\$ 2,943,626</b>	<b>\$ 2,834,178</b>	<b>\$ 52,016,213</b>	<b>\$ 50,982,929</b>	<b>\$ 4,340,444</b>	<b>\$ 4,351,661</b>

# APPENDIX A

## THE DOMESTIC ESTATES IN LIQUIDATION COMBINING SCHEDULES OF ESTATES' ASSETS – MODIFIED CASH BASIS AS OF DECEMBER 31, 2023 AND 2022

### Assets

	<u>EVEREADY</u>		<u>FIDUCIARY</u>		<u>FIRST CENTRAL</u>		<u>FREELANCERS</u>		<u>FRONTIER</u>		<u>GLOBAL LIBERTY</u>	
	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
<b>Unrestricted Assets:</b>												
Cash and Cash Equivalents	\$ 1,625	\$ 172,371	\$ 4,781,704	\$ 576,116	\$ 1,468,619	\$ 790,974	\$ 110,243	\$ 434,122	\$ 24,504,510	\$ 1,659,139	\$ 53,008	\$ 66,991
Investments												
Mortgage Loan	-	-	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-	-	-
Investments in Ltd. Partnership	-	-	-	-	-	-	-	-	-	-	-	-
Certificate of Deposit	-	-	-	-	-	-	-	-	-	-	-	-
Bonds, at Fair Market Value	-	208,985	13,673,761	41,774,845	2,070,941	2,357,621	-	1,902,158	12,470,661	34,409,895	3,108,155	3,981,049
Common Stocks, Unaffiliated at Fair Market Value	-	-	-	-	-	-	-	-	-	-	-	-
Other Invested Assets	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	-	208,985	13,673,761	41,774,845	2,070,941	2,357,621	-	1,902,158	12,470,661	34,409,895	3,108,155	3,981,049
<b>Total Cash, Cash Equivalents and Investments</b>	<b>1,625</b>	<b>381,356</b>	<b>18,455,465</b>	<b>42,350,961</b>	<b>3,539,560</b>	<b>3,148,595</b>	<b>110,243</b>	<b>2,336,280</b>	<b>36,975,171</b>	<b>36,069,034</b>	<b>3,161,163</b>	<b>4,048,040</b>
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	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash, Cash Equivalents, Investments and Other Invested Assets (Unrestricted)</b>	<b>1,625</b>	<b>381,356</b>	<b>18,455,465</b>	<b>42,350,961</b>	<b>3,539,560</b>	<b>3,148,595</b>	<b>110,243</b>	<b>2,336,280</b>	<b>36,975,171</b>	<b>36,069,034</b>	<b>3,161,163</b>	<b>4,048,040</b>
Reinsurance Recoverables on Paid Losses and LAE	-	-	-	-	75,743	75,743	-	-	66,157	1,847,922	2,926,129	1,187,601
Less: Allowance for Uncollectible Reinsurance Recoverables	-	-	-	-	-	-	-	-	(66,138)	(1,361,331)	(2,926,129)	(1,187,601)
Net Reinsurance Recoverables on Paid Losses and LAE	-	-	-	-	75,743	75,743	-	-	19	486,591	-	-
Reinsurance Recoverables on Unpaid Losses and LAE	-	-	-	-	3,850,489	4,600,515	-	-	-	1,636,021	18,598,504	16,426,403
Less: Allowance for Uncollectible Reinsurance Recoverables	-	-	-	-	-	-	-	-	-	(1,636,021)	(18,598,504)	(16,426,403)
Net Reinsurance Recoverables on Unpaid Losses and LAE	-	-	-	-	3,850,489	4,600,515	-	-	-	-	-	-
Receivables from Others	-	-	-	-	-	-	-	-	-	-	250,000	250,000
Accrued Investment Income	-	-	97,638	162,581	4,985	7,608	-	11,784	170,855	108,268	17,224	22,889
Other Assets	-	-	434,405	434,405	1	1	-	-	-	-	-	-
Receivable from CMS	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for Uncollectible Receivable from CMS	-	-	-	-	-	-	-	-	-	-	-	-
Net Receivable from CMS	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Unrestricted Assets</b>	<b>1,625</b>	<b>381,356</b>	<b>18,987,508</b>	<b>42,947,947</b>	<b>7,470,778</b>	<b>7,832,462</b>	<b>110,243</b>	<b>2,348,064</b>	<b>37,146,045</b>	<b>36,663,893</b>	<b>3,428,387</b>	<b>4,320,929</b>
<b>Restricted Assets:</b>												
Statutory Deposits in New York or Other States	-	-	-	-	-	-	-	-	313,813	581,756	735,859	735,324
Other Restricted Assets	-	-	-	-	-	-	-	100,507	1,726,359	1,717,815	815,675	815,675
<b>Total Restricted Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100,507</b>	<b>2,040,172</b>	<b>2,299,571</b>	<b>1,551,534</b>	<b>1,550,999</b>
<b>Total Assets</b>	<b>\$ 1,625</b>	<b>\$ 381,356</b>	<b>\$ 18,987,508</b>	<b>\$ 42,947,947</b>	<b>\$ 7,470,778</b>	<b>\$ 7,832,462</b>	<b>\$ 110,243</b>	<b>\$ 2,448,571</b>	<b>\$ 39,186,217</b>	<b>\$ 38,963,464</b>	<b>\$ 4,979,921</b>	<b>\$ 5,871,928</b>

# APPENDIX A

## THE DOMESTIC ESTATES IN LIQUIDATION COMBINING SCHEDULES OF ESTATES' ASSETS – MODIFIED CASH BASIS AS OF DECEMBER 31, 2023 AND 2022

<u>Assets</u>	<u>HEALTH REUBLIC</u>		<u>IDEAL MUTUAL</u>		<u>INSCORP</u>		<u>MAIDSTONE</u>		<u>MIDLAND</u>		<u>ONE TITLE</u>	
	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
<b>Unrestricted Assets:</b>												
Cash and Cash Equivalents	\$ 10,948,571	\$ 10,161,842	\$ 2,565,602	\$ 262,187	\$ 433,013	\$ 340,300	\$ 9,845,610	\$ 405,537	\$ 173,992,607	\$ 7,698,161	\$ -	\$ 120,320
Investments												
Mortgage Loan	-	-	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-	-	-
Investments in Ltd. Partnership	-	-	-	-	-	-	-	-	-	-	-	-
Certificate of Deposit	-	-	-	-	-	-	-	-	-	-	-	-
Bonds, at Fair Market Value	47,327,442	250,379,213	7,277,599	8,002,614	11,546,955	12,713,516	13,441,485	22,238,421	198,891,130	350,432,579	-	-
Common Stocks, Unaffiliated at Fair Market Value	-	-	-	-	-	-	-	-	-	-	-	-
Other Invested Assets	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	47,327,442	250,379,213	7,277,599	8,002,614	11,546,955	12,713,516	13,441,485	22,238,421	198,891,130	350,432,579	-	-
<b>Total Cash, Cash Equivalents and Investments</b>	<b>58,276,013</b>	<b>260,541,055</b>	<b>9,843,201</b>	<b>8,264,801</b>	<b>11,979,968</b>	<b>13,053,816</b>	<b>23,287,095</b>	<b>22,643,958</b>	<b>372,883,737</b>	<b>358,130,740</b>	<b>-</b>	<b>120,320</b>
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	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash, Cash Equivalents, Investments and Other Invested Assets (Unrestricted)</b>	<b>58,276,013</b>	<b>260,541,055</b>	<b>9,843,201</b>	<b>8,264,801</b>	<b>11,979,968</b>	<b>13,053,816</b>	<b>23,287,095</b>	<b>22,643,958</b>	<b>372,883,737</b>	<b>358,130,740</b>	<b>-</b>	<b>120,320</b>
Reinsurance Recoverables on Paid Losses and LAE	-	-	24,848,904	36,177,287	9,083,355	10,106,665	-	-	77,727,548	77,898,179	-	-
Less: Allowance for Uncollectible Reinsurance Recoverables	-	-	(22,895,203)	(33,019,622)	(8,751,353)	(9,409,227)	-	-	(72,406,806)	(72,550,423)	-	-
Net Reinsurance Recoverables on Paid Losses and LAE	-	-	1,953,701	3,157,665	332,002	697,438	-	-	5,320,742	5,347,756	-	-
Reinsurance Recoverables on Unpaid Losses and LAE	-	-	1,258,291	1,258,291	103,994	103,994	-	-	7,445,551	7,457,219	-	-
Less: Allowance for Uncollectible Reinsurance Recoverables	-	-	(1,258,291)	(1,258,291)	(103,994)	(103,994)	-	-	(6,756,965)	(6,769,049)	-	-
Net Reinsurance Recoverables on Unpaid Losses and LAE	-	-	-	-	-	-	-	-	688,586	688,170	-	-
Receivables from Others	-	-	-	500,000	250,000	250,000	-	-	3,000,000	3,000,000	-	-
Accrued Investment Income	296,565	386,200	41,802	16,994	23,612	25,075	111,626	93,643	1,788,695	1,287,482	-	-
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-
Receivable from CMS	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for Uncollectible Receivable from CMS	-	-	-	-	-	-	-	-	-	-	-	-
Net Receivable from CMS	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Unrestricted Assets</b>	<b>58,572,578</b>	<b>260,927,255</b>	<b>11,838,704</b>	<b>11,939,460</b>	<b>12,585,582</b>	<b>14,026,329</b>	<b>23,398,721</b>	<b>22,737,601</b>	<b>383,681,760</b>	<b>368,454,148</b>	<b>-</b>	<b>120,320</b>
<b>Restricted Assets:</b>												
Statutory Deposits in New York or Other States	-	-	-	-	108,291	106,907	853,553	842,264	-	-	-	-
Other Restricted Assets	233,529	-	429,182	435,048	1,534,966	1,528,995	527,659	527,691	1,054,471	1,045,874	-	35,189
<b>Total Restricted Assets</b>	<b>233,529</b>	<b>-</b>	<b>429,182</b>	<b>435,048</b>	<b>1,643,257</b>	<b>1,635,902</b>	<b>1,381,212</b>	<b>1,369,955</b>	<b>1,054,471</b>	<b>1,045,874</b>	<b>-</b>	<b>35,189</b>
<b>Total Assets</b>	<b>\$ 58,806,107</b>	<b>\$ 260,927,255</b>	<b>\$ 12,267,886</b>	<b>\$ 12,374,508</b>	<b>\$ 14,228,839</b>	<b>\$ 15,662,231</b>	<b>\$ 24,779,933</b>	<b>\$ 24,107,556</b>	<b>\$ 384,736,231</b>	<b>\$ 369,500,022</b>	<b>\$ -</b>	<b>\$ 155,509</b>

# APPENDIX A

## THE DOMESTIC ESTATES IN LIQUIDATION COMBINING SCHEDULES OF ESTATES' ASSETS – MODIFIED CASH BASIS AS OF DECEMBER 31, 2023 AND 2022

<u>Assets</u>	<u>PARK</u>		<u>QUALITY HEALTH</u>		<u>TOUCHSTONE</u>		<u>UNION INDEMNITY</u>		<u>CLOSED ESTATES</u>		<u>ESTATE TOTALS</u>	
	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
<b>Unrestricted Assets:</b>												
Cash and Cash Equivalents	\$ 958,493	\$ 218,251	\$ 520,426	\$ 44,116	\$ 42,015	\$ 158,165	\$ 13,506,147	\$ 618,207	\$ -	\$ -	\$ 304,327,585	\$ 28,341,776
Investments												
Mortgage Loan	-	-	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-	-	-
Investments in Ltd. Partnership	837,599	837,599	-	-	-	-	-	-	-	-	837,599	837,599
Certificate of Deposit	-	-	-	-	-	-	-	-	-	-	-	-
Bonds, at Fair Market Value	8,060,911	17,707,074	242,578	706,680	4,965,607	4,832,159	10,100,678	22,178,256	-	-	415,735,864	904,421,563
Common Stocks, Unaffiliated at Fair Market Value	-	-	-	-	-	-	-	-	-	-	-	-
Other Invested Assets	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	8,898,510	18,544,673	242,578	706,680	4,965,607	4,832,159	10,100,678	22,178,256	-	-	416,573,463	905,259,162
<b>Total Cash, Cash Equivalents and Investments</b>	<b>9,857,003</b>	<b>18,762,924</b>	<b>763,004</b>	<b>750,796</b>	<b>5,007,622</b>	<b>4,990,324</b>	<b>23,606,825</b>	<b>22,796,463</b>	<b>-</b>	<b>-</b>	<b>720,901,048</b>	<b>933,600,938</b>
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	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash, Cash Equivalents, Investments and Other Invested Assets (Unrestricted)</b>	<b>9,857,003</b>	<b>18,762,924</b>	<b>763,004</b>	<b>750,796</b>	<b>5,007,622</b>	<b>4,990,324</b>	<b>23,606,825</b>	<b>22,796,463</b>	<b>-</b>	<b>-</b>	<b>720,901,048</b>	<b>933,600,938</b>
Reinsurance Recoverables on Paid Losses and LAE	2,263,511	2,263,511	-	-	-	-	8,782,377	8,782,377	-	-	144,089,137	158,610,679
Less: Allowance for Uncollectible Reinsurance Recoverables	(2,263,511)	(2,263,511)	-	-	-	-	(8,782,377)	(8,782,377)	-	-	(133,875,672)	(146,208,235)
Net Reinsurance Recoverables on Paid Losses and LAE	-	-	-	-	-	-	-	-	-	-	10,213,465	12,402,444
Reinsurance Recoverables on Unpaid Losses and LAE	2,118,737	2,118,737	-	-	-	-	-	-	-	-	57,494,080	59,754,563
Less: Allowance for Uncollectible Reinsurance Recoverables	(2,118,737)	(2,118,737)	-	-	-	-	-	-	-	-	(47,416,170)	(47,886,768)
Net Reinsurance Recoverables on Unpaid Losses and LAE	-	-	-	-	-	-	-	-	-	-	10,077,910	11,867,795
Receivables from Others	-	-	-	-	-	-	400,000	400,000	-	-	3,900,000	4,400,000
Accrued Investment Income	65,573	65,790	3,774	860	18,364	18,431	101,527	71,845	-	-	3,388,986	2,718,456
Other Assets	-	-	-	-	-	-	-	-	-	-	3,228,716	3,577,499
Receivable from CMS	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for Uncollectible Receivable from CMS	-	-	-	-	-	-	-	-	-	-	-	-
Net Receivable from CMS	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Unrestricted Assets</b>	<b>9,922,576</b>	<b>18,828,714</b>	<b>766,778</b>	<b>751,656</b>	<b>5,025,986</b>	<b>5,008,755</b>	<b>24,108,352</b>	<b>23,268,308</b>	<b>-</b>	<b>-</b>	<b>751,710,125</b>	<b>968,567,132</b>
<b>Restricted Assets:</b>												
Statutory Deposits in New York or Other States	-	-	-	-	-	-	-	-	-	-	9,255,873	10,639,231
Other Restricted Assets	-	-	-	-	-	-	3,187,721	3,143,614	-	-	13,538,002	13,290,152
<b>Total Restricted Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,187,721</b>	<b>3,143,614</b>	<b>-</b>	<b>-</b>	<b>22,793,875</b>	<b>23,929,383</b>
<b>Total Assets</b>	<b>\$ 9,922,576</b>	<b>\$ 18,828,714</b>	<b>\$ 766,778</b>	<b>\$ 751,656</b>	<b>\$ 5,025,986</b>	<b>\$ 5,008,755</b>	<b>\$ 27,296,073</b>	<b>\$ 26,411,922</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 774,504,000</b>	<b>\$ 992,496,515</b>

# 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, 2023 AND 2022

<u>Liabilities</u>	<u>AMERICAN MEDICAL</u>		<u>ALLIANCE NATIONAL</u>		<u>ATLANTIC MUTUAL</u>		<u>ATLANTIS HEALTH</u>		<u>CENTENNIAL</u>		<u>CUATRO</u>	
	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Secured Claims	\$ -	\$ -	\$ -	\$ -	\$ 3,766,572	\$ 3,785,554	\$ -	\$ -	\$ 1,080,400	\$ 1,092,722	\$ 25,357	\$ 25,357
Class I - Administrative Claims	85,966	46,705	12,058	17,778	2,004,854	1,253,622	7,829	4,507	1,297,967	714,842	109,914	34,247
Class II - Claims and Related Costs:												
Allowed	86,387	111,387	-	5,670,832	108,886,514	101,564,217	428,105	400,000	71,402,392	69,848,178	11,051,875	11,051,875
Non Allowed	-	-	114,463,028	121,164,975	100,971,691	114,113,887	-	-	113,018,830	116,406,782	-	-
IBNR	-	-	-	-	-	-	-	-	-	-	-	-
Total Class II - Claims and Related Costs	86,387	111,387	114,463,028	126,835,807	209,858,205	215,678,104	428,105	400,000	184,421,222	186,254,960	11,051,875	11,051,875
Class III - Federal Government Claims	-	-	85,475	85,475	39,444,431	39,444,431	7,627,354	7,627,354	6,839,598	6,839,598	284,026	284,026
Class IV - Employee Claims	2,400	2,400	2,400	2,400	-	-	-	-	-	-	-	-
Class V - State and Local Government Claims	341,629	341,629	2,260	2,260	3,584,197	3,590,299	2,892,344	2,892,344	2,491,690	2,493,926	511	511
Class VI - General Creditor Claims	1,519,135	1,519,135	4,811,155	7,661,156	6,829,578	7,003,332	384,346	384,346	5,316,651	5,389,731	2,801,094	2,801,094
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	-	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>7,035,517</b>	<b>7,021,256</b>	<b>119,376,376</b>	<b>134,604,876</b>	<b>424,896,783</b>	<b>430,164,288</b>	<b>11,339,978</b>	<b>11,308,551</b>	<b>201,947,528</b>	<b>203,285,779</b>	<b>14,272,777</b>	<b>14,197,110</b>
<b>Defined Benefit Pension and Other Post-retirement</b>	<b>80,159</b>	<b>69,493</b>	<b>5,855</b>	<b>5,345</b>	<b>1,903,306</b>	<b>2,372,229</b>	<b>7,653</b>	<b>6,117</b>	<b>1,233,671</b>	<b>1,432,234</b>	<b>91,054</b>	<b>71,099</b>
<b>(Deficit) Surplus of Assets over Liabilities</b>	<b>(5,610,171)</b>	<b>(5,525,665)</b>	<b>(111,316,240)</b>	<b>(129,778,185)</b>	<b>(329,734,569)</b>	<b>(336,779,746)</b>	<b>(8,404,005)</b>	<b>(8,480,490)</b>	<b>(151,164,986)</b>	<b>(153,735,084)</b>	<b>(10,023,387)</b>	<b>(9,916,548)</b>
<b>Total Liabilities and (Deficit) Surplus of Assets over Liabilities</b>	<b>\$ 1,505,505</b>	<b>\$ 1,565,084</b>	<b>\$ 8,065,991</b>	<b>\$ 4,832,036</b>	<b>\$ 97,065,520</b>	<b>\$ 95,756,771</b>	<b>\$ 2,943,626</b>	<b>\$ 2,834,178</b>	<b>\$ 52,016,213</b>	<b>\$ 50,982,929</b>	<b>\$ 4,340,444</b>	<b>\$ 4,351,661</b>

# 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, 2023 AND 2022

<u>Liabilities</u>	<u>EVEREADY</u>		<u>FIDUCIARY</u>		<u>FIRST CENTRAL</u>		<u>FREELANCERS</u>		<u>FRONTIER</u>		<u>GLOBAL LIBERTY</u>	
	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Secured Claims	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 101,164	\$ 100,507	\$ 1,726,359	\$ 1,717,815	\$ 815,674	\$ 815,674
Class I - Administrative Claims	95,856	35,615	492,261	210,298	28,931	6,466	2,646	2,791	1,664,470	1,590,649	262,180	127,889
Class II - Claims and Related Costs:												
Allowed	12,777,336	13,120,621	83,204,546	105,884,143	78,780,220	78,780,220	-	-	186,433,084	181,875,963	1,813,972	2,481,008
Non Allowed	9,557,848	9,557,848	29,680,648	36,479,651	-	-	-	-	7,251,685	10,574,885	48,803,542	35,827,387
IBNR	-	-	-	-	-	-	-	-	-	-	-	-
Total Class II - Claims and Related Costs	22,335,184	22,678,469	112,885,194	142,363,794	78,780,220	78,780,220	-	-	193,684,769	192,450,848	50,617,514	38,308,395
Class III - Federal Government Claims	-	5,857	-	-	-	-	-	-	-	-	-	-
Class IV - Employee Claims	-	-	1,200	1,200	-	-	-	-	-	-	7,200	6,000
Class V - State and Local Government Claims	-	573,094	1,832,190	1,832,190	954,215	954,215	-	-	10,060,199	10,060,199	73,635	73,635
Class VI - General Creditor Claims	275,000	955,681	581,140	581,140	1,763,389	1,763,389	-	240	22,235,698	22,823,858	5,726,901	5,626,696
Class VII - Late Filed Claims	-	-	-	-	-	-	-	-	-	9	-	-
Class VIII - Section 1307 (Shareholder) Loans	-	-	992,197	992,197	-	-	-	-	-	-	-	-
Class IX - Shareholder Claims	-	-	-	-	-	-	-	-	10,584	10,584	-	-
<b>Total Liabilities</b>	<b>22,706,040</b>	<b>24,248,716</b>	<b>116,784,182</b>	<b>145,980,819</b>	<b>81,526,755</b>	<b>81,504,290</b>	<b>103,810</b>	<b>103,538</b>	<b>229,382,079</b>	<b>228,653,962</b>	<b>57,503,104</b>	<b>44,958,289</b>
<b>Defined Benefit Pension and Other Post-retirement</b>	<b>90,425</b>	<b>81,573</b>	<b>504,669</b>	<b>466,031</b>	<b>15,720</b>	<b>6,209</b>	<b>2,694</b>	<b>2,370</b>	<b>952,054</b>	<b>2,010,330</b>	<b>152,169</b>	<b>67,745</b>
<b>(Deficit) Surplus of Assets over Liabilities</b>	<b>(22,794,840)</b>	<b>(23,948,933)</b>	<b>(98,301,343)</b>	<b>(103,498,903)</b>	<b>(74,071,697)</b>	<b>(73,678,037)</b>	<b>3,739</b>	<b>2,342,663</b>	<b>(191,147,916)</b>	<b>(191,700,828)</b>	<b>(52,675,352)</b>	<b>(39,154,106)</b>
<b>Total Liabilities and (Deficit) Surplus of Assets over Liabilities</b>	<b>\$ 1,625</b>	<b>\$ 381,356</b>	<b>\$ 18,987,508</b>	<b>\$ 42,947,947</b>	<b>\$ 7,470,778</b>	<b>\$ 7,832,462</b>	<b>\$ 110,243</b>	<b>\$ 2,448,571</b>	<b>\$ 39,186,217</b>	<b>\$ 38,963,464</b>	<b>\$ 4,979,921</b>	<b>\$ 5,871,928</b>



# 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, 2023 AND 2022

<u>Liabilities</u>	<u>HEALTH REUP LIC</u>		<u>IDEAL MUTUAL</u>		<u>INSCORP</u>		<u>MAIDSTONE</u>		<u>MIDLAND</u>		<u>ONE TITLE</u>	
	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Secured Claims	\$ 835	\$ -	\$ 399,720	\$ 405,586	\$ 567,385	\$ 561,414	\$ 527,659	\$ 527,691	\$ 1,025,271	\$ 1,016,420	\$ -	\$ -
Class I - Administrative Claims	725,593	348,493	959,660	2,274,304	1,178,849	700,171	321,092	166,480	1,707,786	4,411,837	4,473	1,747
Class II - Claims and Related Costs:												
Allowed	22,753,728	217,988,371	236,764,518	236,798,729	13,984,546	13,492,924	27,395,296	19,847,857	1,336,623,832	1,335,465,008	-	10,950
Non Allowed	-	-	-	-	3,463	1,832,139	10,569,834	17,341,213	38,782,801	39,242,094	-	-
IBNR	-	-	-	-	-	-	-	-	-	-	-	-
Total Class II - Claims and Related Costs	22,753,728	217,988,371	236,764,518	236,798,729	13,988,009	15,325,063	37,965,130	37,189,070	1,375,406,633	1,374,707,102	-	10,950
Class III - Federal Government Claims	-	8,795,318	-	-	-	-	289	289	-	-	-	-
Class IV - Employee Claims	-	-	-	-	-	-	-	-	-	-	-	-
Class V - State and Local Government Claims	19,159,690	19,159,690	280,888	280,888	1,516,794	1,516,794	1,187,350	237,284	8,317,574	8,317,574	-	-
Class VI - General Creditor Claims	6,929,209	7,033,227	56,587,081	56,587,081	63,685,814	63,685,814	403,673	403,673	96,506,338	96,506,338	-	5,118
Class VII - Late Filed Claims	-	-	70,902,912	70,902,912	-	-	-	-	169,550,639	169,550,639	-	-
Class VIII - Section 1307 (Shareholder) Loans	246,976,418	246,976,418	-	-	-	-	-	-	-	-	-	-
Class IX - Shareholder Claims	-	-	-	-	107,467,599	107,467,599	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>296,545,473</b>	<b>500,301,517</b>	<b>365,894,779</b>	<b>367,249,500</b>	<b>188,404,450</b>	<b>189,256,855</b>	<b>40,405,193</b>	<b>38,524,487</b>	<b>1,652,514,241</b>	<b>1,654,509,910</b>	<b>4,473</b>	<b>17,815</b>
<b>Defined Benefit Pension and Other Post-retirement</b>	<b>618,080</b>	<b>458,469</b>	<b>911,698</b>	<b>5,073,303</b>	<b>1,067,575</b>	<b>1,436,832</b>	<b>311,798</b>	<b>260,260</b>	<b>1,752,768</b>	<b>10,086,975</b>	<b>4,557</b>	<b>3,573</b>
<b>(Deficit) Surplus of Assets over Liabilities</b>	<b>(238,357,446)</b>	<b>(239,832,731)</b>	<b>(354,538,591)</b>	<b>(359,948,295)</b>	<b>(175,243,186)</b>	<b>(175,031,456)</b>	<b>(15,937,058)</b>	<b>(14,677,191)</b>	<b>(1,269,530,778)</b>	<b>(1,295,096,863)</b>	<b>(9,030)</b>	<b>134,121</b>
<b>Total Liabilities and (Deficit) Surplus of Assets over Liabilities</b>	<b>\$ 58,806,107</b>	<b>\$ 260,927,255</b>	<b>\$ 12,267,886</b>	<b>\$ 12,374,508</b>	<b>\$ 14,228,839</b>	<b>\$ 15,662,231</b>	<b>\$ 24,779,933</b>	<b>\$ 24,107,556</b>	<b>\$ 384,736,231</b>	<b>\$ 369,500,022</b>	<b>\$ -</b>	<b>\$ 155,509</b>

# 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, 2023 AND 2022

<u>Liabilities</u>	<u>PARK</u>		<u>QUALITY HEALTH</u>		<u>TOUCHSTONE</u>		<u>UNION INDEMNITY</u>		<u>CLOSED ESTATES</u>		<u>ESTATE TOTALS</u>	
	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Secured Claims	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,376,605	\$ 3,332,498	\$ -	\$ -	\$ 13,413,001	\$ 13,381,238
Class I - Administrative Claims	221,593	109,211	21,386	9,068	147,671	56,123	226,648	978,882	-	-	11,579,683	13,101,725
Class II - Claims and Related Costs:												
Allowed	3,368,112	4,765,085	-	-	-	-	177,480,488	177,435,557	-	-	2,373,234,951	2,576,592,925
Non Allowed	69,638,414	55,987,699	38,062,742	38,062,742	10,284,815	10,284,815	202,125	278,293	-	-	591,291,466	607,154,410
IBNR	-	-	-	-	-	-	-	-	-	-	-	-
Total Class II - Claims and Related Costs	73,006,526	60,752,784	38,062,742	38,062,742	10,284,815	10,284,815	177,682,613	177,713,850	-	-	2,964,526,417	3,183,747,335
Class III - Federal Government Claims	-	-	2,158,391	1,079,195	-	-	137,245	137,245	-	-	56,576,809	64,298,788
Class IV - Employee Claims	350	-	-	-	-	-	-	-	-	-	13,550	12,000
Class V - State and Local Government Claims	-	-	-	-	4,110	4,110	71,336	71,336	-	-	52,770,612	52,401,978
Class VI - General Creditor Claims	1,045,562	211,403	71,646	71,646	7,158,996	7,158,996	96,134,819	96,134,819	-	-	380,767,225	384,307,913
Class VII - Late Filed Claims	-	-	-	-	-	-	68,826,987	68,826,987	-	-	309,790,538	309,790,547
Class VIII - Section 1307 (Shareholder) Loans	785,000	755,000	-	-	10,639,750	10,639,750	-	-	-	-	418,792,311	418,762,311
Class IX - Shareholder Claims	-	-	-	-	-	-	-	-	-	-	112,478,183	112,478,183
<b>Total Liabilities</b>	<b>75,059,031</b>	<b>61,828,398</b>	<b>40,314,165</b>	<b>39,222,651</b>	<b>28,235,342</b>	<b>28,143,794</b>	<b>346,456,253</b>	<b>347,195,617</b>	<b>-</b>	<b>-</b>	<b>4,320,708,329</b>	<b>4,552,282,018</b>
<b>Defined Benefit Pension and Other Post-retirement</b>	<b>153,976</b>	<b>79,604</b>	<b>21,125</b>	<b>18,548</b>	<b>139,205</b>	<b>121,897</b>	<b>208,398</b>	<b>2,246,437</b>	<b>-</b>	<b>-</b>	<b>10,228,609</b>	<b>26,376,673</b>
<b>(Deficit) Surplus of Assets over Liabilities</b>	<b>(65,290,431)</b>	<b>(43,079,288)</b>	<b>(39,568,512)</b>	<b>(38,489,543)</b>	<b>(23,348,561)</b>	<b>(23,256,936)</b>	<b>(319,368,578)</b>	<b>(323,030,132)</b>	<b>-</b>	<b>-</b>	<b>(3,556,432,938)</b>	<b>(3,586,162,176)</b>
<b>Total Liabilities and (Deficit) Surplus of Assets over Liabilities</b>	<b>\$ 9,922,576</b>	<b>\$ 18,828,714</b>	<b>\$ 766,778</b>	<b>\$ 751,656</b>	<b>\$ 5,025,986</b>	<b>\$ 5,008,755</b>	<b>\$ 27,296,073</b>	<b>\$ 26,411,922</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 774,504,000</b>	<b>\$ 992,496,515</b>

APPENDIX A

**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**  
**AS OF DECEMBER 31, 2023 AND 2022**

	<u>AMERICAN MEDICAL</u>		<u>ALLIANCE NATIONAL</u>		<u>ATLANTIC MUTUAL</u>		<u>ATLANTIS HEALTH</u>		<u>CENTENNIAL</u>		<u>CUATRO</u>	
<u>Receipts:</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Net Investment Income Received	\$ 26,680	\$ 6,416	\$ 133,371	\$ 27,373	\$ 2,505,374	\$ 1,144,255	\$ 59,796	\$ 38,750	\$ 1,320,323	\$ 585,891	\$ 49,210	\$ 32,034
Reinsurance Recovered	-	-	855,753	165,412	957,042	1,702,956	-	-	143,564	984,127	-	-
Premiums Collected	-	-	-	93,406	-	-	-	-	-	-	-	-
Salvage and Subrogation Recoveries	-	-	223,824	93,994	134,578	1,190	-	-	588	90,415	-	-
Expense Reimbursement Received from Security Funds	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement from Central Disbursement Account	-	-	-	-	-	-	-	-	-	-	-	-
Release from Statutory Deposits	136,393	-	-	-	876,691	-	-	-	491,369	336,015	-	-
Litigation Awards	-	-	2,000,000	-	-	-	-	-	-	-	-	-
Abandon Property	-	-	-	-	-	-	-	-	-	-	-	-
Large Deductible	-	-	422,936	183,350	961,163	46,455	-	-	-	-	-	-
Second Injury Claim Refunds	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Segregated Accounts	-	-	-	-	41,678	-	-	-	-	-	-	-
Proceeds from Sale of Real Estate	-	-	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-	-	-	-
Securities in Transit	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	185	294	49,827	1,868	91,619	-	-	-	30,000	840	125,683
<b>Total Receipts</b>	<b>163,073</b>	<b>6,601</b>	<b>3,636,178</b>	<b>613,362</b>	<b>5,478,394</b>	<b>2,986,475</b>	<b>59,796</b>	<b>38,750</b>	<b>1,955,844</b>	<b>2,026,448</b>	<b>50,050</b>	<b>157,717</b>
<u>Disbursements:</u>												
Distributions	-	-	-	-	-	-	-	-	-	-	-	-
Release of Funds to Non-New York Liquidator	-	-	-	-	-	-	-	-	336,015	-	-	-
Transfer to Segregated Accounts	-	-	-	-	41,678	-	-	-	-	-	-	-
Loss/Return Premiums	-	-	-	-	61,526	-	-	-	32,323	-	-	-
Loss Adjustment Expense	25,000	-	-	-	38,233	48,878	-	-	-	-	-	-
Reimbursement of Allocated Expenses:	-	-	-	-	-	-	-	-	-	-	-	-
Salaries	34,165	40,013	1,021	77	755,574	1,084,043	6,145	5,701	455,360	543,885	76,132	16,592
Employee Relations and Welfare	32,335	30,865	808	31	621,094	842,234	-	-	340,414	403,539	64,362	10,670
Rent and Related Expenses	9,764	7,917	75,965	79,075	408,595	439,754	-	-	100,612	122,636	17,683	3,220
Professional Fees	7,288	30,338	97,783	224,392	149,374	124,337	5,996	26,621	77,662	87,115	12,754	30,616
General and Administrative Expenses	14,149	12,189	648	5,121	156,922	230,903	293	293	100,793	107,698	23,010	2,419
Large Deductible	-	-	520,239	54,182	725,556	-	-	-	-	-	-	-
Salvage and Subrogation Fees	-	-	1,088	-	-	-	-	-	4,070	231	-	-
Investment Expense	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	48,838	90,000	-	-	-	30,000	-	-	-
<b>Total Disbursements</b>	<b>122,701</b>	<b>121,322</b>	<b>697,552</b>	<b>411,716</b>	<b>3,048,552</b>	<b>2,770,149</b>	<b>12,434</b>	<b>32,615</b>	<b>1,477,249</b>	<b>1,265,104</b>	<b>193,941</b>	<b>63,517</b>
<b>Net Disbursements Over Receipts</b>	<b>40,372</b>	<b>(114,721)</b>	<b>2,938,626</b>	<b>201,646</b>	<b>2,429,842</b>	<b>216,326</b>	<b>47,362</b>	<b>6,135</b>	<b>478,595</b>	<b>761,344</b>	<b>(143,891)</b>	<b>94,200</b>
<b>Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Beginning of Year</b>	<b>1,416,094</b>	<b>1,555,326</b>	<b>4,424,194</b>	<b>4,331,248</b>	<b>79,615,517</b>	<b>81,658,711</b>	<b>2,828,119</b>	<b>2,904,323</b>	<b>42,614,340</b>	<b>43,317,244</b>	<b>4,313,210</b>	<b>4,429,230</b>
<b>Opening Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Balances of New Estates</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closed Estates - Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Realized Gain/(Loss) on Other Investment Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Unrealized Gain / (Loss) on Investments</b>	<b>30,972</b>	<b>(24,511)</b>	<b>115,234</b>	<b>(108,700)</b>	<b>1,153,940</b>	<b>(2,259,520)</b>	<b>56,760</b>	<b>(82,339)</b>	<b>662,452</b>	<b>(1,464,248)</b>	<b>131,617</b>	<b>(210,220)</b>
<b>Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), End of Period / Year</b>	<b>\$ 1,487,438</b>	<b>\$ 1,416,094</b>	<b>\$ 7,478,054</b>	<b>\$ 4,424,194</b>	<b>\$ 83,199,299</b>	<b>\$ 79,615,517</b>	<b>\$ 2,932,241</b>	<b>\$ 2,828,119</b>	<b>\$ 43,755,387</b>	<b>\$ 42,614,340</b>	<b>\$ 4,300,936</b>	<b>\$ 4,313,210</b>

# APPENDIX A

## 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 AS OF DECEMBER 31, 2023 AND 2022

	<u>EVEREADY</u>		<u>FIDUCIARY</u>		<u>FIRST CENTRAL</u>		<u>FREELANCERS INSURANCE</u>		<u>FRESENIUS HEALTH PLAN</u>		<u>FRONTIER</u>	
<u>Receipts:</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Net Investment Income Received	\$ 5,230	\$ 4,776	\$ 953,927	\$ 484,126	\$ 57,872	\$ 32,182	\$ -	\$ 23,917	\$ -	\$ -	\$ 1,175,710	\$ 404,987
Reinsurance Recovered	-	-	-	1,116,133	378,620	407,328	-	-	-	-	325,000	327,500
Premiums Collected	-	-	-	-	-	-	-	-	-	-	10,008	9,600
Salvage and Subrogation Recoveries	-	-	52,283	5,536	-	-	-	-	-	-	11,593	1,894
Expense Reimbursement Received from Security Funds	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement from Central Disbursement Account	-	-	-	-	-	-	-	-	-	-	-	-
Release from Statutory Deposits	-	-	-	-	-	-	-	-	-	-	-	2,349,087
Litigation Awards	-	-	-	-	-	-	-	-	-	-	-	-
Abandon Property	-	-	-	-	-	-	-	-	-	-	-	-
Large Deductible	-	-	-	-	-	-	-	-	-	-	-	-
Second Injury Claim Refunds	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Segregated Accounts	-	-	-	-	-	-	101,164	-	-	-	-	-
Proceeds from Sale of Real Estate	-	-	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-	-	-	-
Securities in Transit	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	404	-	2,980	1,271	-	-	-	-	-	-	15	15
<b>Total Receipts</b>	<b>5,634</b>	<b>4,776</b>	<b>1,009,190</b>	<b>1,607,066</b>	<b>436,492</b>	<b>439,510</b>	<b>101,164</b>	<b>23,917</b>	<b>-</b>	<b>-</b>	<b>1,522,326</b>	<b>3,093,083</b>
<b>Disbursements:</b>												
Distributions	343,285	-	25,000,000	-	-	-	2,332,045	-	-	663,514	-	-
Release of Funds to Non-New York Liquidator	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Segregated Accounts	-	-	-	-	-	-	-	100,507	-	-	-	-
Loss/Return Premiums	-	-	-	-	-	-	-	-	-	-	-	-
Loss Adjustment Expense	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of Allocated Expenses:	-	-	-	-	-	-	-	-	-	-	-	-
Salaries	15,276	7,529	56,268	142,047	44,214	34,937	1,037	13,807	-	21,346	394,461	451,571
Employee Relations and Welfare	-	-	41,498	107,949	33,809	24,284	1,014	10,443	-	16,611	349,959	331,386
Rent and Related Expenses	2,921	3,589	146,286	223,767	7,380	7,662	235	3,265	-	5,106	164,453	153,974
Professional Fees	553	26,818	67,296	57,687	7,776	29,357	14,993	17,185	-	10,615	57,867	61,286
General and Administrative Expenses	293	503	12,373	23,952	9,700	5,948	726	2,561	-	2,947	98,683	96,198
Large Deductible	-	-	-	-	-	-	-	-	-	-	-	-
Salvage and Subrogation Fees	-	-	7,618	1,391	-	-	-	-	-	-	403	-
Investment Expense	-	-	-	-	-	-	40,869	-	-	-	-	-
Miscellaneous	24,999	-	-	1,615	-	-	-	-	-	-	1,575	1,441
<b>Total Disbursements</b>	<b>387,327</b>	<b>38,439</b>	<b>25,331,339</b>	<b>558,408</b>	<b>102,879</b>	<b>102,188</b>	<b>2,390,919</b>	<b>147,768</b>	<b>-</b>	<b>720,139</b>	<b>1,067,401</b>	<b>1,095,856</b>
<b>Net Disbursements Over Receipts</b>	<b>(381,693)</b>	<b>(33,663)</b>	<b>(24,322,149)</b>	<b>1,048,658</b>	<b>333,613</b>	<b>337,322</b>	<b>(2,289,755)</b>	<b>(123,851)</b>	<b>-</b>	<b>(720,139)</b>	<b>454,925</b>	<b>1,997,227</b>
<b>Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Beginning of Year</b>	<b>381,354</b>	<b>422,585</b>	<b>42,350,961</b>	<b>41,876,597</b>	<b>3,148,595</b>	<b>2,973,903</b>	<b>2,336,279</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,069,033</b>	<b>34,627,570</b>
<b>Opening Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Balances of New Estates Closed Estates - Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,523,848</b>	<b>-</b>	<b>720,139</b>	<b>-</b>	<b>-</b>
<b>Realized Gain/(Loss) on Other Investment Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Unrealized Gain / (Loss) on Investments</b>	<b>1,964</b>	<b>(7,568)</b>	<b>426,652</b>	<b>(574,294)</b>	<b>57,354</b>	<b>(162,630)</b>	<b>63,717</b>	<b>(63,718)</b>	<b>-</b>	<b>-</b>	<b>451,213</b>	<b>(555,764)</b>
<b>Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), End of Period / Year</b>	<b>\$ 1,625</b>	<b>\$ 381,354</b>	<b>\$ 18,455,464</b>	<b>\$ 42,350,961</b>	<b>\$ 3,539,562</b>	<b>\$ 3,148,595</b>	<b>\$ 110,241</b>	<b>\$ 2,336,279</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,975,171</b>	<b>\$ 36,069,033</b>

# APPENDIX A

## 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 AS OF DECEMBER 31, 2023 AND 2022

	<u>GLOBAL LIBERTY</u>		<u>GROUP COUNCIL</u>		<u>HEALTH REPUBLIC</u>		<u>IDEAL MUTUAL</u>		<u>INSCORP</u>		<u>MAIDSTONE</u>	
<u>Receipts:</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Net Investment Income Received	\$ 44,593	\$ 36,361	\$ -	\$ -	\$ 3,255,683	\$ 2,869,359	\$ 141,758	\$ 24,910	\$ 111,455	\$ 122,251	\$ 705,662	\$ 216,905
Reinsurance Recovered	343	734,099	-	-	-	-	1,931,928	609,509	755,000	484,544	195,429	-
Premiums Collected	-	2,072,205	-	-	-	-	-	-	-	-	-	-
Salvage and Subrogation Recoveries	190,569	292,598	-	-	-	-	-	-	162	214	12,440	149,726
Expense Reimbursement Received from Security Funds	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement from Central Disbursement Account	-	-	-	-	-	-	500,000	-	-	-	-	-
Release from Statutory Deposits	2,420	-	-	-	-	-	-	-	-	-	-	-
Litigation Awards	-	-	-	-	-	-	-	-	-	-	-	-
Abandon Property	-	638,021	-	-	-	-	-	-	-	-	-	-
Large Deductible	-	-	-	-	-	-	-	-	-	-	-	-
Second Injury Claim Refunds	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Segregated Accounts	-	550,139	-	-	-	-	-	-	-	-	-	-
Proceeds from Sale of Real Estate	-	575,908	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-	-	-	-
Securities in Transit	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	18,040	304,979	-	-	3,048	-	-	-	22,297	14	2,329	5,123
<b>Total Receipts</b>	<b>255,965</b>	<b>5,204,310</b>	<b>-</b>	<b>-</b>	<b>3,258,731</b>	<b>2,869,359</b>	<b>2,573,686</b>	<b>634,419</b>	<b>888,914</b>	<b>607,023</b>	<b>915,860</b>	<b>371,754</b>
<b>Disbursements:</b>												
Distributions	-	-	-	-	204,637,935	-	-	-	1,327,778	221,377	-	-
Release of Funds to Non-New York Liquidator	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Segregated Accounts	-	825,674	-	-	-	-	-	-	-	-	-	-
Loss/Return Premiums	-	836,015	-	-	-	-	-	-	-	-	-	-
Loss Adjustment Expense	-	-	-	-	-	-	-	-	-	-	-	771
Reimbursement of Allocated Expenses:	-	-	-	-	-	-	-	-	-	-	-	-
Salaries	438,652	647,225	-	-	700,668	416,400	403,605	263,080	443,916	334,123	222,700	377,337
Employee Relations and Welfare	349,672	373,250	-	-	639,632	313,816	309,720	198,200	375,821	248,208	168,745	285,843
Rent and Related Expenses	280,423	295,090	-	-	277,106	160,599	81,637	55,769	105,894	68,732	64,842	102,705
Professional Fees	23,426	336,164	-	-	310,113	323,660	378,773	271,225	40,589	42,569	74,587	112,850
General and Administrative Expenses	119,520	152,688	-	-	230,605	121,525	82,683	57,631	99,214	69,770	58,872	83,764
Large Deductible	-	-	-	-	-	-	-	-	-	-	-	3,687
Salvage and Subrogation Fees	41,661	14,004	-	-	-	-	-	-	-	-	2,207	28,163
Investment Expense	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	337,562	-	-	-	-	-	-	-	-	-	-
<b>Total Disbursements</b>	<b>1,253,354</b>	<b>3,817,672</b>	<b>-</b>	<b>-</b>	<b>206,796,059</b>	<b>1,336,000</b>	<b>1,256,418</b>	<b>845,905</b>	<b>2,393,212</b>	<b>984,779</b>	<b>591,953</b>	<b>995,120</b>
<b>Net Disbursements Over Receipts</b>	<b>(997,389)</b>	<b>1,386,638</b>	<b>-</b>	<b>-</b>	<b>(203,537,328)</b>	<b>1,533,359</b>	<b>1,317,268</b>	<b>(211,486)</b>	<b>(1,504,298)</b>	<b>(377,756)</b>	<b>323,907</b>	<b>(623,366)</b>
<b>Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Beginning of Year</b>	<b>4,048,037</b>	<b>-</b>	<b>-</b>	<b>1,506,622</b>	<b>260,541,053</b>	<b>262,288,864</b>	<b>8,264,804</b>	<b>8,682,939</b>	<b>13,053,817</b>	<b>13,992,581</b>	<b>22,643,955</b>	<b>23,973,569</b>
<b>Opening Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Balances of New Estates</b>	<b>-</b>	<b>4,177,611</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closed Estates - Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,506,622)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Realized Gain/(Loss) on Other Investment Assets</b>	<b>-</b>	<b>(1,209,867)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Unrealized Gain / (Loss) on Investments</b>	<b>110,515</b>	<b>(306,345)</b>	<b>-</b>	<b>-</b>	<b>1,272,288</b>	<b>(3,281,170)</b>	<b>261,129</b>	<b>(206,649)</b>	<b>430,449</b>	<b>(561,008)</b>	<b>319,233</b>	<b>(706,248)</b>
<b>Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), End of Period / Year</b>	<b>\$ 3,161,163</b>	<b>\$ 4,048,037</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 58,276,013</b>	<b>\$ 260,541,053</b>	<b>\$ 9,843,201</b>	<b>\$ 8,264,804</b>	<b>\$ 11,979,968</b>	<b>\$ 13,053,817</b>	<b>\$ 23,287,095</b>	<b>\$ 22,643,955</b>

APPENDIX A

**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  
AS OF DECEMBER 31, 2023 AND 2022**

	<u>MIDLAND</u>		<u>ONE TITLE</u>		<u>PARK</u>		<u>PLICA</u>		<u>QUALITY HEALTH</u>		<u>TOUCHSTONE</u>	
<u>Receipts:</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>12/31/2022</u>
Net Investment Income Received	\$ 11,309,797	\$ 3,777,282	\$ -	\$ -	\$ 561,964	\$ 485,238	\$ -	\$ -	\$ 21,427	\$ -	\$ 78,479	\$ 40,059
Reinsurance Recovered	170,631	1,975	-	-	-	550,000	-	-	-	-	-	-
Premiums Collected	-	-	-	-	-	-	-	-	-	-	-	-
Salvage and Subrogation Recoveries	-	-	-	-	94,857	114,694	-	-	-	-	-	-
Expense Reimbursement Received from Security Funds	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement from Central Disbursement Account	-	-	-	-	-	-	-	-	-	-	-	-
Release from Statutory Deposits	-	-	-	-	-	529,232	-	-	-	-	-	-
Litigation Awards	-	-	-	-	-	-	-	-	-	-	-	-
Abandon Property	-	-	-	-	-	-	-	-	-	-	-	-
Large Deductible	-	-	-	-	-	-	-	-	-	-	-	-
Second Injury Claim Refunds	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Segregated Accounts	-	-	35,189	-	-	-	-	-	-	-	-	-
Proceeds from Sale of Real Estate	-	-	-	-	-	180,816	-	-	-	-	-	-
Rental Income	-	-	-	-	91,743	91,877	-	-	-	-	-	-
Securities in Transit	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	250,653	271,294	-	-	113	12,321	10,163	-
<b>Total Receipts</b>	<b>11,480,428</b>	<b>3,779,257</b>	<b>35,189</b>	<b>-</b>	<b>999,217</b>	<b>2,223,151</b>	<b>-</b>	<b>-</b>	<b>21,540</b>	<b>12,321</b>	<b>88,642</b>	<b>40,059</b>
<b>Disbursements:</b>												
Distributions	604,943	4,939,346	150,564	-	9,000,000	-	-	-	-	-	-	-
Release of Funds to Non-New York Liquidator	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Segregated Accounts	-	-	-	-	-	-	-	-	-	-	-	-
Loss/Return Premiums	-	-	-	-	-	-	-	-	-	-	-	-
Loss Adjustment Expense	-	-	-	-	-	-	-	-	-	-	1,314	-
Reimbursement of Allocated Expenses:	-	-	-	-	-	-	-	-	-	-	-	-
Salaries	412,055	605,087	4,333	9,721	374,175	595,718	-	-	7,551	27,480	51,089	4,051
Employee Relations and Welfare	319,343	474,833	-	-	314,612	382,804	-	-	-	-	11,396	1,435
Rent and Related Expenses	96,163	124,806	-	-	164,803	215,900	-	-	700	69,236	112,143	86,023
Professional Fees	484,786	281,338	318	27,517	159,634	977,919	-	-	6,403	32,921	21,822	30,101
General and Administrative Expenses	82,041	126,725	293	1,786	117,117	133,570	-	-	1,499	19,071	3,819	817
Large Deductible	-	-	-	-	-	-	-	-	-	-	-	-
Salvage and Subrogation Fees	-	-	-	-	17,887	20,724	-	-	-	-	-	-
Investment Expense	-	-	-	-	-	-	-	-	1,167	123	-	-
Miscellaneous	-	-	-	-	-	843	-	-	-	-	-	-
<b>Total Disbursements</b>	<b>1,999,331</b>	<b>6,552,135</b>	<b>155,508</b>	<b>39,024</b>	<b>10,148,228</b>	<b>2,327,478</b>	<b>-</b>	<b>-</b>	<b>17,320</b>	<b>148,831</b>	<b>201,583</b>	<b>122,427</b>
<b>Net Disbursements Over Receipts</b>	<b>9,481,097</b>	<b>(2,772,878)</b>	<b>(120,319)</b>	<b>(39,024)</b>	<b>(9,149,011)</b>	<b>(104,327)</b>	<b>-</b>	<b>-</b>	<b>4,220</b>	<b>(136,510)</b>	<b>(112,941)</b>	<b>(82,368)</b>
<b>Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Beginning of Year</b>	<b>358,130,733</b>	<b>370,097,778</b>	<b>120,319</b>	<b>159,343</b>	<b>18,762,922</b>	<b>-</b>	<b>-</b>	<b>(4)</b>	<b>750,806</b>	<b>892,666</b>	<b>4,990,325</b>	<b>5,315,847</b>
<b>Opening Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Balances of New Estates</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,584,470</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closed Estates - Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Realized Gain/(Loss) on Other Investment Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,127,553)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Unrealized Gain / (Loss) on Investments</b>	<b>5,271,908</b>	<b>(9,194,167)</b>	<b>-</b>	<b>-</b>	<b>243,091</b>	<b>(589,668)</b>	<b>-</b>	<b>-</b>	<b>7,977</b>	<b>(5,350)</b>	<b>130,239</b>	<b>(243,154)</b>
<b>Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), End of Period / Year</b>	<b>\$ 372,883,738</b>	<b>\$ 358,130,733</b>	<b>\$ -</b>	<b>\$ 120,319</b>	<b>\$ 9,857,002</b>	<b>\$ 18,762,922</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 763,003</b>	<b>\$ 750,806</b>	<b>\$ 5,007,623</b>	<b>\$ 4,990,325</b>

APPENDIX A

**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  
AS OF DECEMBER 31, 2023 AND 2022**

<b>Receipts:</b>	<b>UNION INDEMNITY</b>		<b>CLOSED ESTATES</b>		<b>ESTATE TOTALS</b>	
	<b>12/31/2023</b>	<b>12/31/2022</b>	<b>12/31/2023</b>	<b>12/31/2022</b>	<b>12/31/2023</b>	<b>12/31/2022</b>
Net Investment Income Received	\$ 713,094	\$ 274,187	\$ -	\$ -	\$ 23,231,405	\$ 10,631,259
Reinsurance Recovered	-	-	-	-	5,713,310	7,083,583
Premiums Collected	-	-	-	-	10,008	2,175,211
Salvage and Subrogation Recoveries	-	-	-	-	720,894	750,261
Expense Reimbursement Received from Security Funds	-	-	-	-	-	-
Reimbursement from Central Disbursement Account	-	-	-	-	500,000	-
Release from Statutory Deposits	-	-	-	-	1,506,873	3,214,334
Litigation Awards	-	-	-	-	2,000,000	-
Abandon Property	-	-	-	-	-	638,021
Large Deductible	-	-	-	-	1,384,099	229,805
Second Injury Claim Refunds	-	-	-	-	-	-
Transfer from Segregated Accounts	-	-	-	-	178,031	550,139
Proceeds from Sale of Real Estate	-	-	-	-	-	756,724
Rental Income	-	-	-	-	91,758	91,877
Securities in Transit	-	-	-	-	-	-
Miscellaneous	-	-	-	-	313,029	892,331
<b>Total Receipts</b>	<b>713,094</b>	<b>274,187</b>	<b>-</b>	<b>-</b>	<b>35,649,407</b>	<b>27,013,545</b>
<b>Disbursements:</b>						
Distributions	31,240	7,606	-	-	243,427,790	5,831,843
Release of Funds to Non-New York Liquidator	-	-	-	-	336,015	-
Transfer to Segregated Accounts	-	-	-	-	41,678	926,181
Loss/Return Premiums	-	-	-	-	93,849	836,015
Loss Adjustment Expense	-	-	-	-	64,547	49,649
Reimbursement of Allocated Expenses:	-	-	-	-	-	-
Salaries	70,330	62,911	-	-	4,968,727	5,704,681
Employee Relations and Welfare	52,651	49,451	-	-	4,026,885	4,105,852
Rent and Related Expenses	15,287	13,475	-	-	2,132,892	2,242,300
Professional Fees	46,450	43,101	-	-	2,046,243	3,205,732
General and Administrative Expenses	17,578	12,308	-	-	1,230,831	1,270,387
Large Deductible	-	-	-	-	1,245,795	57,869
Salvage and Subrogation Fees	-	-	-	-	74,934	64,513
Investment Expense	-	-	-	-	42,036	123
Miscellaneous	-	-	-	-	146,574	390,299
<b>Total Disbursements</b>	<b>233,536</b>	<b>188,852</b>	<b>-</b>	<b>-</b>	<b>259,878,796</b>	<b>24,685,444</b>
<b>Net Disbursements Over Receipts</b>	<b>479,558</b>	<b>85,335</b>	<b>-</b>	<b>-</b>	<b>(224,229,389)</b>	<b>2,328,101</b>
<b>Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Beginning of Year</b>	<b>22,796,470</b>	<b>23,209,111</b>	<b>-</b>	<b>-</b>	<b>933,600,940</b>	<b>928,216,053</b>
<b>Opening Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), Balances of New Estates</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closed Estates - Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,506,618)</b>
<b>Realized Gain/(Loss) on Other Investment Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,337,420)</b>
<b>Change in Unrealized Gain / (Loss) on Investments</b>	<b>330,795</b>	<b>(497,976)</b>	<b>-</b>	<b>-</b>	<b>11,529,499</b>	<b>(21,105,246)</b>
<b>Cash, Cash Equivalents, Investments and Invested Assets (Unrestricted), End of Period / Year</b>	<b>\$ 23,606,823</b>	<b>\$ 22,796,470</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 720,901,050</b>	<b>\$ 933,600,938</b>