

CAUSE NO. D-1-GV-13-000204

THE STATE OF TEXAS, Plaintiff	§	IN THE DISTRICT COURT OF
	§	
v.	§	TRAVIS COUNTY, TEXAS
	§	
SANTA FE AUTO INSURANCE COMPANY	§	
Defendant	§	419 th JUDICIAL DISTRICT

**SPECIAL DEPUTY RECEIVER'S QUARTERLY FINANCIAL REPORT AND
SUMMARY STATEMENT OF EXPENSES
(SEPTEMBER 1, 2018 THROUGH NOVEMBER 30, 2018)**

TO THE HONORABLE DISTRICT COURT:

CANTILO & BENNETT, L.L.P., solely in its capacity as the Special Deputy Receiver of Santa Fe Auto Insurance Company (the “SDR” and “SFAIC” respectively), files this Financial Report and Summary Statement of Expenses of the receivership estate for the period of September 1, 2018 to November 30, 2018. The attached report is filed pursuant to TEX. INS. CODE ANN., §§ 443.015(2)(g) and 443.016(a) and the Court's Order Approving the SDR's Application for Approval of Fees and Expenses, entered on May 8, 2013.

The Special Deputy Receiver has served this Quarterly Financial Report to all known parties at interest, as shown in the certificate of service.

Respectfully submitted,

FULLER LAW GROUP

By: /s/Christopher Fuller
Christopher Fuller
Texas Bar No. 07515500
4612 Ridge Oak Drive
Austin, Texas 78731
Telephone: (512) 470-9544
Email: cfuller@fullerlaw.org

Attorney for CANTILO & BENNETT, LLP,
Special Deputy Receiver of
Santa Fe Auto Insurance Company

CERTIFICATE OF SERVICE

I certify that on December 17, 2018, a true and correct copy of this SPECIAL DEPUTY RECEIVER'S QUARTERLY FINANCIAL REPORT AND SUMMARY STATEMENT OF EXPENSES (SEPTEMBER 1, 2018 THROUGH NOVEMBER 30, 2018) was served pursuant to the Order of Reference, Texas Rules of Civil Procedure, TEX. INS. CODE ANN. SEC. 443.007(d) and the Court's order on electronic service on the following by email, except as specifically otherwise noted.

Via Email: Todd.Ridley@santafeinsurance.net
Todd Ridley
13703 Neutron Road
Dallas, TX 75244

Via Email: John.Alexander@tdi.texas.gov
John Alexander
Rehabilitation & Liquidation Oversight
TEXAS DEPARTMENT OF INSURANCE
P.O. Box 149104
Austin, TX 78714-9104

Via Email: Vicente.Aguillon@tdi.texas.gov
Vicente Aguillon
TEXAS DEPARTMENT OF INSURANCE
Rehabilitation & Liquidation Oversight
PO Box 149104
Austin, TX 78714-9104

Via Email: Moses.Chao@tdi.texas.gov
Moses Chao
TEXAS DEPARTMENT OF INSURANCE
Rehabilitation & Liquidation Oversight
PO Box 149104
Austin, TX 78714-9104

Via Email: Kimberly.Hammer@tdi.texas.gov
Kimberly Hammer
TEXAS DEPARTMENT OF INSURANCE
P.O. Box 149104
Austin, TX 78714-9104

Via Email: specialmasterclerk@tdi.texas.gov
Special Master's Clerk
TEXAS DEPARTMENT OF INSURANCE
P.O. Box 149104
Austin, TX 78714-9104

Via Email: LMeltzer@tpciga.org

Linda R. Meltzer
TEXAS PROPERTY CASUALTY INSURANCE
GUARANTY ASSOCIATION
9120 Burnet Road
Austin, TX 78758

Via Email: rachel.obaldo@oag.texas.gov

Rachel Obaldo
Assistant Attorney General
Bankruptcy and Collections Division
OFFICE OF THE TEXAS ATTORNEY GENERAL
P.O. Box 12548
Austin, TX 78711-2548

Via Email: MSurguine@azinsurance.gov

Michael E. Surguine
Executive Director
ARIZONA P&C INSURANCE GUARANTY FUND
2910 N. 44th Street, Second Floor
Phoenix, Arizona 85018

Via Email: Steve.Uhrynowycz@arkansas.gov

Steve Uhrynowycz
Liquidation Division
ARKANSAS PROPERTY & CASUALTY
GUARANTY FUND
1023 W. Capitol Avenue, Suite 2
Little Rock, AR 72201

Via Email: mossi@oci.ga.gov

Mark Ossi
Deputy Receiver
GEORGIA OFFICE OF COMMISSIONER OF
INSURANCE
2 Martin Luther King, Jr. Drive
West Tower, Suite 704
Atlanta, GA 30334

Via Email: cynthia.morales@oag.texas.gov

Cynthia Morales
Assistant Attorney General
Financial, Litigation, Tax, & Charitable Trusts
OFFICE OF THE TEXAS ATTORNEY GENERAL
P.O. Box 12548
Austin, TX 78711-2548

Via Email: LKido@azinsurance.gov

Liane Kido
ARIZONA DEPARTMENT OF INSURANCE
2910 North 44th Street, Suite 210
Phoenix, AZ 85018-7269

Via Email: Allen.Kerr@arkansas.gov

Allen Kerr
Commissioner
ARKANSAS INSURANCE DEPARTMENT
1200 West Third Street
Little Rock, AR 72201-1904

Via Email: MMarchman@gaiga.org

Michael C. Marchman
Executive Director
GEORGIA INSURERS INSOLVENCY POOL
3700 Crestwood Parkway NW, Suite 400
Duluth, Georgia 30096

Via Email: JWells@laiga.org

John Wells
Executive Director
LOUISIANA INSURANCE GUARANTY
ASSOCIATION
2142 Quail Run Drive
Baton Rouge, LA 70808-4126

Via Email: JDonelon@ldi.state.la.us
James J. Donelon
Commissioner
LOUISIANA DEPARTMENT OF INSURANCE
P.O. Box 94214
Baton Rouge, LA 70804-9214

Via Email: icommish@doi.nv.gov
Scott J. Kipper
Commissioner
Division of Insurance
NEVADA DEPARTMENT OF BUSINESS &
INDUSTRY
1818 East College Parkway, Suite 103
Carson City, NV 89706

Via Email: dcostello@doi.nv.gov
Denise Costello
Administrative Assistant IV
NEVADA DIVISION OF INSURANCE
788 Fairview Drive, Suite 300
Carson City, NV 89701

Via Email: BGilbert@niga-pc.org
Bruce W. Gilbert
Executive Director
NEVADA INSURANCE GUARANTY ASSOCIATION
3821 West Charleston Boulevard, Suite 100
Las Vegas, NV 89102-1859

Via Email: Elizabeth.Bustos@state.nm.us
Elizabeth Bustos
Account Auditor
NEW MEXICO OFFICE OF SUPERINTENDENT OF
INSURANCE
P.O. Box 1689
Santa Fe, NM 87504-1689

Via Email: John.Franchini@state.nm.us
John G. Franchini
Superintendent
NEW MEXICO PUBLIC REGULATION
COMMISSION
Division of Insurance
P.O. Box 1269
Santa Fe, NM 87501

Via Email: debbiel@integriiongroup.com
Via Email: sharil@integriiongroup.com
Debbie Luera
Shari Lucero
NEW MEXICO INSURANCE GUARANTY
ASSOCIATION INTEGRION GROUP, INC.
(F/K/A KEENAN & ASSOCIATES, INC.)
P.O. Box 27815
Albuquerque, NM 87125

Via Email: John.Doak@oid.ok.gov
John D. Doak
Commissioner
OKLAHOMA INSURANCE DEPARTMENT
7645 E. 63rd St., Suite 102
Tulsa, OK 74133

Via Email: Kelley.Callahan@oid.ok.gov
Kelley Callahan
Assistant General Counsel
OKLAHOMA INSURANCE DEPARTMENT
2401 N.W. 23rd, Suite 28
Oklahoma City, OK 73152-3408

Via Email: ABarbera@opciga.org
Amanda Barbera
General Manager
OKLAHOMA PROPERTY & CASUALTY
INSURANCE GUARANTY ASSOCIATION
2601 Northwest Expressway, Suite 330E
Oklahoma City, OK 73112

Via Email: ToddKiser@utah.gov
Todd Kiser
Deputy Commissioner
UTAH INSURANCE DEPARTMENT
3110 State Office Building
Salt Lake City, UT 84114-6901

Via Email: AllenM@utgf.org
Allen Muhlestein
Executive Director
UTAH PROPERTY & CASUALTY INSURANCE
GUARANTY ASSOCIATION
P.O. Box 1608
Sandy, UT 84091-1626

Via Email: AKoury@subrogatelaw.com
Aaron G. Koury
CARPENTER & SCHUMACHER, P.C.
Parkway Centre IV
2701 N. Dallas Parkway, Ste. 570
Plano, TX 75093

Via First Class Mail
INTERNAL REVENUE SERVICE
Centralized Insolvency Operation
P.O. Box 7346
Philadelphia, PA 19101-7346

Via First Class Mail
INTERNAL REVENUE SERVICE
Special Procedures Branch
P.O. Box 250
300 East 8th Street, Suite 352
Mail Stop 5022AUS
Austin, TX 78701

Via Email: LauraS@downeycleveland.com
Laura Schaefer
DOWNEY & CLEVELAND
288 Washington Avenue
Marietta, GA 30060

Via Email: Jim@insurancedepot.com
Jim Maxwell

Via Email: SClark@koepfeltraylor.com
Via Email: WSC1964@yahoo.com
W. Scarth Clark
KOEPEL TRAYLOR
2030 St. Charles Avenue
New Orleans, LA 70130

Via Email: Gregg@terrybryant.com
Gregg Anderson
TERRY BRYANT, PLLC
8584 Katy Freeway, Suite 100
Houston, TX 77024

Via Email: manning2887@sbcglobal.net
Charles Manning
Attorney at Law
810 North St. Mary's Street
Beeville, TX 78102

/s/Christopher Fuller
Christopher Fuller

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**Santa Fe Auto Insurance Company
Statement of Expenses**

**For Period Ending
11/30/18**

	Total Sep	Total Oct	Total Nov	Total Quarter
SDR				
Cantilo & Bennett, LLP				
Partner/Attorney/	3,517.50	3,990.00	2,467.50	9,975.00
Partner/Attorney Travel	0.00	0.00	26.25	26.25
Partner/Attorney	87.50	140.00	140.00	367.50
Expenses	16.45	0.00	135.48	151.93
Total SDR Billing	3,621.45	4,130.00	2,769.23	10,520.68
SDR Subcontractors - Legal				
Fuller Law Group				
Attorney	680.00	520.00	480.00	1,680.00
Expenses	0.00	9.99	0.00	9.99
Total Billing	680.00	529.99	480.00	1,689.99
Inquest Resources				
Paralegal	88.00	80.00	88.00	256.00
Receivership Specialist	97.50	112.50	37.50	247.50
Litigation Assistant/Records Mgr	9.00	27.00	18.00	54.00
Litigation Assistant/Records Mgr Travel	0.00	22.50	0.00	22.50
Expenses	0.00	11.12	0.00	11.12
Total Billing	194.50	253.12	143.50	591.12
Total Legal Subcontractors	874.50	783.11	623.50	2,281.11
SDR Subcontractors - Other				
Petrosewicz & Company, Inc				
Accountant-Principal/	442.00	340.00	408.00	1,190.00
Accountant	826.50	788.50	190.00	1,805.00
Accountant	360.00	160.00	704.00	1,224.00
Expenses	18.80	16.62	20.41	55.83
Total Billing	1,647.30	1,305.12	1,322.41	4,274.83
Abaci, Inc.				
Project Manager	47.50	95.00	104.50	247.00
Technical Analyst	27.00	18.00	18.00	63.00
Expenses	0.00	0.00	0.00	0.00
Total Billing	74.50	113.00	122.50	310.00
EMKAY Associates				
Claims Manager/	19.00	0.00	0.00	19.00
Claims Representative/	1,742.50	1,215.50	1,037.00	3,995.00
Claims Representative	93.50	34.00	34.00	161.50
Expenses	0.00	0.00	0.00	0.00
Total Billing	1,855.00	1,249.50	1,071.00	4,175.50
Total Other SDR Subcontractors	3,576.80	2,667.62	2,515.91	8,760.33

Receivership Service Providers

Building/Utilities/Related Expense-Tax Payments: Richardson ISD, Dallas County	0.00	54.99	65.21	120.20
Inventory/Storage Expenses	779.50	779.50	779.50	2,338.50
IT/Computer Fees	1,628.23	1,708.23	1,628.23	4,964.69
Mailing/Printing Expenses	140.56	151.59	221.50	513.65
Telephone	309.17	320.28	319.33	948.78
Operating Account	64.13	66.47	66.93	197.53
Texas Treasury	93.86	91.28	94.13	279.27
Total Other	3,015.45	3,172.34	3,174.83	9,362.62

Sub-Total SDR, Subcontractor & Provider Expenses

Sub-Total SDR, Subcontractor & Provider Expenses	11,088.20	10,753.07	9,083.47	30,924.74
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Liquidation Oversight Allocation

RLO Allocation	594.73	671.48	896.04	2,162.25
Special Master's Fees	0.00	0.00	131.57	131.57
Total RLO & SM Expense	594.73	671.48	1,027.61	2,293.82
Total Expenses	11,682.93	11,424.55	10,111.08	33,218.56

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**Santa Fe Auto Insurance Company
Statement of Net Assets**

**For the Period Ending
11/30/18**

Line		11/30/18
Cash		
1	Cash	
	Cash - Unrestricted	4,975,607
	APF Funds (Loan proceeds)	
Investments		
2	Short-Tem Investments	
3	Bonds	
4	Stocks - Preferred & Common	
5	Investments in Subsidiaries, Controlled or Affiliated Entities	
6	Mortgage Loans	
7	Real Estate	
8	Policy Loans	
9	Other Invested Assets	
Restricted Assets		
10	Statutory Deposits	
11	Funds held by or deposited with Reinsured Companies	
12	Restricted - Other	
Reinsurance Receivable		
13	Reinsurance Recoverables on Paid Losses & LAE (net of allowance)	
14	Reinsurance Recoverables on Unpaid Losses & LAE (net of allowance)	
15	Reinsurance Recoverables on UEP & Contingent Commissions	
Other Receivables		
16	Salvage & Subrogation Recoveries	
17	Premiums Due from Agents & Policyholders	
18	Receivable from Parents, Subsidiaries & Affiliates	
19	Receivable from Guaranty Associations - Early Access Payments	10,693,966
20	Other Receivables	
Other Assets		
21	FF&E	
22	Other Assets	
	Total Assets	15,669,573

NOTES

Ref No.

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Santa Fe Auto Insurance Company
Changes in Net Assets for the Quarter Ending

11/30/18

Line		08/31/18	11/30/18	Change
Cash				
1	Cash			
	Cash - Unrestricted	4,985,515	4,975,607	(9,908)
	APF Funds (Loan proceeds)	0	0	0
Investments				
2	Short-Term Investments	0	0	0
3	Bonds	0	0	0
4	Stocks - Preferred & Common	0	0	0
5	Investments in Subsidiaries, Controlled or Affiliated Entities	0	0	0
6	Mortgage Loans	0	0	0
7	Real Estate	0	0	0
8	Policy Loans	0	0	0
9	Other Invested Assets	0	0	0
Restricted Assets				
10	Statutory Deposits	0	0	0
11	Funds held by or deposited with Reinsured Companies	0	0	0
12	Restricted - Other	0	0	0
Reinsurance Receivable				
13	Reinsurance Recoverables on Paid Losses & LAE (net of allowance)	0	0	0
14	Reinsurance Recoverables on Unpaid Losses & LAE (net of allowance)	0	0	0
15	Reinsurance Recoverables on UEP & Contingent Commissions	0	0	0
Other Receivables				
16	Salvage & Subrogation Recoveries	0	0	0
17	Premiums Due from Agents & Policyholders	0	0	0
18	Receivable from Parents, Subsidiaries & Affiliates	0	0	0
19	Receivable from Guaranty Associations - Early Access Payments	10,693,965	10,693,966	1
20	Other Receivables	0	0	0
Other Assets				
21	FF&E	0	0	0
22	Other Assets	0	0	0
Total Assets		15,679,480	15,669,573	(9,907)

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**Santa Fe Auto Insurance Company
Statement of Net Liabilities**

**For Period Ending
11/30/18**

Line		11/30/18
1	Secured Claims	
2	APF Loan	
3	Special Deposit Claims	
Administrative Claims - Class 1		
4	Administrative Claims - State/Receiver	
	Special Deputy Receiver, Subcontractors Fees & Expenses	5,908
	Liquidation Oversight	1,028
	Special Master's Fees	
5	Administrative Claims - Guaranty Assns	
	Administrative Expense Paid	2,929,113
	Administrative Expense Reserves	
6	LAE - Guaranty Assns	
	LAE Paid	8,026,878
	LAE Reserves	215,517
Policy Claims - Class 2		
7	Loss Claims - Guaranty Assns	
	Loss Claims Paid	9,990,217
	Loss Claims Reserves	1,058,048
8	Loss Claims - Other	
	Other Loss Claims Paid	
	Other Loss Claims Reserves	303,278
9	LAE - Other	
10	Unearned & Advance Premium Claims - GA	235,537
11	Unearned & Advance Premium Claims - Other	
Other Liabilities		
12	Class 3 Claims	
13	Class 4 Claims	
14	Class 5 General Unsecured Creditor Claims	630,200
15	Class 5 Reinsurance Related Unsecured Claims	
16	Class 6 Claims	
17	Class 7 Claims	
18	Class 8 Claims	
19	Class 9 Claims	
20	Class 10 Interest	
21	Class 11 Claims	
22	Other Liabilities	
	Total Liabilities	23,395,724
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities	(7,726,151)
	Total Liabilities & Equity	15,669,573

**Santa Fe Auto Insurance Company
Statement of Net Liabilities**

**For Period Ending
11/30/18**

NOTES

All amounts recorded based on adjudicated claims unless otherwise specified

Ref. No.

5 Represents amounts paid by Arkansas, Arizona, Georgia, New Mexico, Nevada, Oklahoma, Utah and Texas guaranty associations based on information received from UDS reports through November 30, 2018. The appropriateness and reasonableness of these amounts will be reviewed and updated by the SDR in future months as more information is received and each Guaranty Association's POC is adjudicated.

6 Represents amounts based on information received from the Arkansas, Arizona, Georgia, New Mexico, Nevada, Oklahoma, Utah and Texas guaranty associations through November 30, 2018. The appropriateness and reasonableness of the reserve amounts will be determined and updated by TPCIGA and the other associations, and reviewed by the SDR in future months.

7 Represents amounts based on information received from the Arkansas, Arizona, Georgia, New Mexico, Nevada, Oklahoma, Utah and Texas guaranty associations through November 30, 2018. The appropriateness and reasonableness of the reserve amounts will be determined and updated by TPCIGA and the other associations, and reviewed by the SDR in future months.

8 Represents amounts reserved for unclaimed claims payments based on review of the company books and records.

10 Represents amounts based on information received from the Arkansas, Arizona, Georgia, New Mexico, Nevada, Oklahoma, Utah and Texas guaranty associations through November 30, 2018. The appropriateness and reasonableness of the reserve amounts will be determined and updated by TPCIGA and the other associations, and reviewed by the SDR in future months.

14 Represents amounts reserved based on review of company books and records. In July 2013, the proof of claim process ("POC") was approved by the receivership court, and POC forms and instructions were mailed to potential claimants in August 2013. The POC deadline was October 5, 2014; however, this amount has not been formally adjudicated and will be updated as warranted throughout the POC process.

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Santa Fe Auto Insurance Company
Changes in Net Liabilities for the Quarter Ending

11/30/18

Line		08/31/18	11/30/18	Change
1	Secured Claims	0	0	0
2	APF Loan	0	0	0
3	Special Deposit Claims	0	0	0
Administrative Claims - Class 1				
4	Administrative Claims - State/Receiver	0	0	0
	Special Deputy Receiver, Subcontractors Fees & Expenses	8,131	5,908	(2,223)
	Liquidation Oversight	908	1,028	120
	Special Master's Fees	0	0	0
5	Administrative Claims - Guaranty Assns	0	0	0
	Administrative Expense Paid	2,905,999	2,929,113	23,114
	Administrative Expense Reserves	0	0	0
6	LAE - Guaranty Assns	0	0	0
	LAE Paid	7,981,920	8,026,878	44,958
	LAE Reserves	224,128	215,517	(8,611)
Policy Claims - Class 2				
7	Loss Claims - Guaranty Assns	0	0	0
	Loss Claims Paid	9,935,523	9,990,217	54,694
	Loss Claims Reserves	1,118,172	1,058,048	(60,124)
8	Loss Claims - Other	0	0	0
	Other Loss Claims Paid	0	0	0
	Other Loss Claims Reserves	303,278	303,278	0
9	LAE - Other	0	0	0
10	Unearned & Advance Premium Claims - GA	235,537	235,537	0
11	Unearned & Advance Premium Claims - Other	0	0	0
Other Liabilities				
12	Class 3 Claims	0	0	0
13	Class 4 Claims	0	0	0
14	Class 5 General Unsecured Creditor Claims	630,200	630,200	0
15	Class 5 Reinsurance Related Unsecured Claims	0	0	0
16	Class 6 Claims	0	0	0
17	Class 7 Claims	0	0	0
18	Class 8 Claims	0	0	0
19	Class 9 Claims	0	0	0
20	Class 10 Interest	0	0	0
21	Class 11 Claims	0	0	0
22	Other Liabilities	0	0	0
	Total Liabilities	23,343,796	23,395,724	51,928
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities	(7,664,316)	(7,726,151)	(61,835)
	Total Liabilities & Equity	15,679,480	15,669,573	(9,907)

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Santa Fe Auto Insurance Company
Sources & Uses of Cash

For Period Ending
11/30/18

	Qtr Ending Nov-18
Income	
Premium Receipts	0
Agents' Balances Received	0
Reinsurance Recoveries	0
Salvage & Subrogation Recoveries	0
Affiliates Recovery	0
Settlement/Litigation Recovery	0
Other Receipts	61
Sale of Real & Personal Property	0
Investment Sales/Receipts	0
Other Asset Receipts	0
Total Receipts from Assets/Receivables	61
Interest & Dividend Receipts, EA Interest	0
Cash Deposit Interest	25,352
Total Cash Receipts	25,413
Disbursements	
SDR Fees & Expenses	11,150
Subcontractor Legal Fees & Expenses	2,749
Subcontractor Other Fees & Expenses	9,885
Non-Subcontractor Fees & Expenses	9,362
Other Expenses	0
RLO Fees & Expenses	2,174
Total Disbursements for Operations	35,321
Loss Claims & LAE Expense Payments	0
Early Access Payments - GA	0
Refunds & Other Distributions	0
Total Cash Distributions	0
Total Cash Disbursements & Distributions	35,321
Net Increase(Decrease) in Cash	(9,908)
Cash at Beginning of Period	4,985,515
Cash at End of Period	4,975,607