

NO. D-1-GV-08-002014

STATE OF TEXAS,	§	IN THE DISTRICT COURT OF
Plaintiff	§	
	§	
v.	§	TRAVIS COUNTY, TEXAS
	§	
AMERITRUST TITLE COMPANY,	§	
Defendant	§	261st JUDICIAL DISTRICT

**SPECIAL DEPUTY RECEIVER'S QUARTERLY FINANCIAL REPORT AND
SUMMARY STATEMENT OF EXPENSES
(JUNE 1, 2009 THROUGH AUGUST 31, 2009)**

TO THE HONORABLE DISTRICT COURT:

Cantilo & Bennett, L.L.P., solely in its capacity as the Special Deputy Receiver of Ameritrust Title Company, (the “SDR” and “Ameritrust” respectively), files this Financial Report and Summary Statement of Expenses of the receivership estate for the period of June 1, 2009 to August 31, 2009. 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 August 5, 2009.

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,

By: /s/ Christopher Fuller
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CERTIFICATE OF SERVICE

I certify that on September 15, 2009, a true and correct copy of this Report was served pursuant to the Order of Reference, the Texas Rules of Civil Procedure, and TEX. INS. CODE ANN., § 443.007 on the following:

/s/ Christopher Fuller
Christopher Fuller

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**Ameritrust Title
Summary Statement of Expenses**

**For the Quarter Ending
8/31/2009**

	June	July	Aug	Total 4th Quarter
SDR				
Cantilo & Bennett, LLP				
Partner/Attorney	6,870.00	4,860.00	4,050.00	15,780.00
Partner/Attorney Travel	0.00	112.50	0.00	112.50
Attorney/Associate	0.00	112.50	0.00	112.50
Receivership Specialist	306.00	9.00	306.00	621.00
Receivership Specialist	99.00	0.00	0.00	99.00
Expenses	20.30	22.60	1.32	44.22
SDR Subcontractors				
Jo Ann Howard & Associates, P.C.				
Senior Legal Specialist	5,600.00	5,220.00	4,200.00	15,020.00
Senior Legal Specialist-Travel	600.00	500.00	0.00	1,100.00
Junior Legal Specialist	175.00	175.00	0.00	350.00
Paralegal	270.00	225.00	0.00	495.00
Expenses	172.64	547.53	0.00	720.17
Petrosewicz & Company, Inc				
Accountant-Principal	900.00	600.00	375.00	1,875.00
Senior Accountant	62.50	0.00	0.00	62.50
Accountant	747.00	837.00	621.00	2,205.00
Clerical	7.50	10.00	332.50	350.00
Clerical Travel	68.75	0.00	18.75	87.50
Expenses	89.51	14.16	34.56	138.23
EMKAY Associates				
s&o Claims Manager	76.50	51.00	25.50	153.00
Claims Representative	1,530.00	562.50	562.50	2,655.00
S&O Claims Representative	414.00	27.00	184.50	625.50
Claims Representative	2,115.00	20.00	0.00	2,135.00
Expenses	41.79	0.00	0.00	41.79
Receivership Service Providers				
UHAUL Center	204.90	204.90	0.00	409.80
SafeSite	132.81	50.00	50.00	232.81
Operations Bank	22.50	7.50	0.00	30.00
Texas Treasury	0.00	10.66	0.00	10.66
Liquidation Oversight Allocation				
Liquidation Oversight Allocation	1,678.36	1,296.87	675.07	3,650.30
Special Master's Fees	0.00	0.00	251.63	251.63
Total by Month	22,204.06	15,475.72	11,688.33	
Total Expenses for Quarter Ending August 2009				49,368.11

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**Ameritrust Title
Statement of Net Assets**

**For the Month Ending
08/31/09**

Line		08/31/09
Cash		
1	Cash - Unrestricted	32,097
Investments		
2	Short-Tem Investments	
3	Bonds, Preferred Stocks & Common Stocks	
4	Investments in Subsidiaries, Controlled or Affiliated Entities	
5	Mortgage Loans	
6	Real Estate	
7	Policy Loans	
8	Other Invested Assets	
Reinsurance		
9.1	Reinsurance Recoverables on Paid Losses & LAE	
9.1A	Allowance for Reinsurance on Paid Losses & LAE	
9.2	Reinsurance Recoverables on Unpaid Losses & LAE	
9.2A	Allowance for Reinsurance on Unpaid Losses & LAE	
9.3	Reinsurance Recoverables on UEP & Contingent Commissions	
Receivables		
10	Salvage & Subrogation Recoveries	
11	Premiums Due & Accrued from Agents & Policyholders	
12	Receivable from Parents, Subsidiaries & Affiliates	
13	Accrued Investment Income	
14	Receivable from Guaranty Associations - Early Access Payments	
Other Assets		
15.1	FF&E	0
15.2	Prepaid Expenses	
16	Other Assets	
Restricted Assets		
17.1	Restricted - Statutory Deposits	
17.2	Restricted - Funds held by or deposited with Reinsured Companies	
17.3	Restricted - Separate Accounts & Protected Cell Accounts	
17.4	Restricted - Other	4,850
18	Total Unrestricted Assets	32,097
19	Total Restricted Assets	4,850
19A	Net Assets not Categorized	
20	Total Assets	36,947

NOTES

Ref No.

- 17.4 Represents amounts held in three escrow accounts at Enterprise Bank that were closed and transferred to the Receivership's Operating bank account during June.

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**Ameritrust Title
Changes in Net Assets**

**For the Quarter Ending
08/31/09**

Line		Qtr Ending 05/31/09	Qtr Ending 08/31/09	Change
Cash				
1	Cash - Unrestricted	89,791	32,097	(57,694)
Investments				
2	Short-Term Investments	0	0	0
3	Bonds, Preferred Stocks & Common Stocks	0	0	0
4	Investments in Subsidiaries, Controlled or Affiliated Entities	0	0	0
5	Mortgage Loans	0	0	0
6	Real Estate	0	0	0
7	Policy Loans	0	0	0
8	Other Invested Assets	0	0	0
Reinsurance				
9.1	Reinsurance Recoverables on Paid Losses & LAE	0	0	0
9.1A	Allowance for Reinsurance on Paid Losses & LAE	0	0	0
9.2	Reinsurance Recoverables on Unpaid Losses & LAE	0	0	0
9.2A	Allowance for Reinsurance on Unpaid Losses & LAE	0	0	0
9.3	Reinsurance Recoverables on UEP & Contingent Commissions	0	0	0
Receivables				
10	Salvage & Subrogation Recoveries	0	0	0
11	Premiums Due & Accrued from Agents & Policyholders	0	0	0
12	Receivable from Parents, Subsidiaries & Affiliates	0	0	0
13	Accrued Investment Income	0	0	0
14	Receivable from Guaranty Associations - Early Access Payments	0	0	0
Other Assets				
15.1	FF&E	500	0	(500)
15.2	Prepaid Expenses	0	0	0
16	Other Assets	0	0	0
Restricted Assets				
17.1	Restricted - Statutory Deposits	0	0	0
17.2	Restricted - Funds held by or deposited with Reinsured Companies	0	0	0
17.3	Restricted - Separate Accounts & Protected Cell Accounts	0	0	0
17.4	Restricted - Other	4,850	4,850	0
18	Total Unrestricted Assets	90,291	32,097	(58,194)
19	Total Restricted Assets	4,850	4,850	0
19A	Net Assets not Categorized	0	0	0
20	Total Assets	95,141	36,947	(58,194)

No amounts are recorded for February as May is the first month of receivership reporting

Ref No

15.1 Represents sale of FFE during quarter

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**Ameritrust Title
Statement of Net Liabilities**

**For the Month Ending
07/31/09**

Line		Class	08/31/09
1	Secured Claims	1	4,850
2	Special Deposit Claims	1	
Administrative			
3	Administrative Claims - State/Receiver		
	Special Deputy Receiver, Subcontractors Fees & Expenses	1	10,711
	Liquidation Oversight & Special Master's Fees	1	927
	Unsecured Loans	1	100,000
4	Administrative Claims - Guaranty Assns	1	
	Claims Paid		
	Reserves		
5	LAE - Guaranty Assns	1	
	Claims Paid		
	Reserves		
Loss Claims			
6	Loss Claims - Guaranty Assns	2	
	Loss Claims Paid		
	Reserves		1,511,850
7	Loss Claims - Other	2	
	Loss Claims Paid		
	Reserves		
8	LAE - Other	2	
9	Unearned & Advance Premium Claims (Non Assessable Policies) - GA	2	
10	Unearned & Advance Premium Claims (Non Assessable Policies) - Other	2	
18	Unearned Premium Claims (Assessable Policies) - GA	2	
Other Creditors			
11	Federal Government Claims	3	
12	Employee Claims	4	
13	General Unsecured Creditor Claims (Other than Reinsurance Related)	5	
14	Ceded Reinsurance Related Unsecured Claims	5	
14.1	Assumed Reinsurance Related Unsecured Claims	5	
15	State & Local Government Claims		
	State & Local Governments/Attorneys	6	
	State & Local Governments - Penalties	7	
16	Late Filed Claims - Unexcused	8	
17	Surplus Notes	9	
19	Unearned Premium Claims (Assessable Policies) - Other	9	
20	Shareholder Claims	11	
21	Other Liabilities		
	Interest	10	
	Other		
22	Total Liabilities		1,628,338
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities		(1,591,391)
	Total Liabilities & Equity		36,947

**Ameritrust Title
Statement of Net Liabilities**

**For the Month Ending
07/31/09**

NOTES

All amounts recorded based on adjudicated claims unless otherwise specified

Ref. No.

¹ Represents amounts held in the Receivership's bank account that were transferred from pre receivership escrow bank accounts and represent funds held on behalf of potential claimaints.

³ The Unsecured Loan represents amounts received from the Texas Abandoned Property

⁶ Represents an amount obtained from information provided by the Texas Department of Insurance. No amounts have been adjudicated by the Texas Title Insurance Guaranty Association (TTIGA) as of August 31, 2009

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**Ameritrust Title
Changes in Net Liabilities**

**For the Quarter Ending
08/31/09**

Line		Qtr Ending 05/31/09	Qtr Ending 08/31/09	Change
1	Secured Claims	4,850	4,850	0
2	Special Deposit Claims	0	0	0
Administrative				
3	Administrative Claims - State/Receiver	0	0	0
	Special Deputy Receiver, Subcontractors Fees & Expenses	20,475	10,711	(9,764)
	Liquidation Oversight & Special Master's Fees	0	927	927
	Unsecured Loans	100,000	100,000	0
4	Administrative Claims - Guaranty Assns	0	0	0
	Claims Paid	0	0	0
	Reserves	0	0	0
5	LAE - Guaranty Assns	0	0	0
	Claims Paid	0	0	0
	Reserves	0	0	0
Loss Claims				
6	Loss Claims - Guaranty Assns	0	0	0
	Loss Claims Paid	0	0	0
	Reserves	1,511,850	1,511,850	0
7	Loss Claims - Other	0	0	0
	Loss Claims Paid	0	0	0
	Reserves	0	0	0
8	LAE - Other	0	0	0
9	Unearned & Advance Premium Claims (Non Assessable Policies) - GA	0	0	0
10	Unearned & Advance Premium Claims (Non Assessable Policies) - Other	0	0	0
18	Unearned Premium Claims (Assessable Policies) - GA	0	0	0
Other Creditors				
11	Federal Government Claims	0	0	0
12	Employee Claims	0	0	0
13	General Unsecured Creditor Claims (Other than Reinsurance Related)	0	0	0
14	Ceded Reinsurance Related Unsecured Claims	0	0	0
14.1	Assumed Reinsurance Related Unsecured Claims	0	0	0
15	State & Local Government Claims	0	0	0
	State & Local Governments/Attorneys	0	0	0
	State & Local Governments - Penalties	0	0	0
16	Late Filed Claims - Unexcused	0	0	0
17	Surplus Notes	0	0	0
19	Unearned Premium Claims (Assessable Policies) - Other	0	0	0
20	Shareholder Claims	0	0	0
21	Other Liabilities	0	0	0
	Interest	0	0	0
	Other	0	0	0
22	Total Liabilities	1,637,175	1,628,338	(8,837)
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities	(1,542,034)	(1,591,391)	(49,357)
	Total Liabilities & Equity	95,141	36,947	(58,194)

Ref No

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Ameritrust Title
Change in Cash & Investments

For the Quarter Ending
08/31/09

Line	Qtr Ending 08/31/09
Income	
1 Premium Receipts	0
2 Settlements	0
3 Policy Loan Receipts	0
4 Proceeds from Sale of Real Property or Personal	500
5 Reinsurance Recoveries	0
6 Salvage & Subrogation Recoveries	0
7 Agents' Balances Received	0
8 Collection of Affiliate Receivables	0
9 Recovery of Taxes Previously Paid	0
10 Other Receipts	0
11 Total Operational Receipts	500
	0
12 Interest & Dividend Receipts	10
13 Net Cash Provided by Investment Activities	0
14 Total Cash Receipts from Investment Activities	10
15 Total Cash Receipts	510
Operational Expenses	
16 Deputy Receiver & Consulting Fees & Expenses	28,849
17 Employee Salaries, P/R Taxes & Employee Benefits	0
18 Rent, Office & Other Facility Expenses	643
19 Legal Fees & Expenses	20,301
20 Accounting & Auditing Fees & Expenses	5,396
21 SGA - Administration Expenses other than LAE	40
22 Ancillary Administration Expenses	2,975
23 Other Disbursements	0
24 Total Operational Disbursements	58,204
Investment Expenses	
25 Investment Expenses	0
26 Purchase of Invested Assets	0
27 Total Disbursements for Investment Activities	0
Claims Paid	
28.1 Losses/Benefit Payments - SGA	0
28.2 Losses/Benefit Payments - Non SGA	0
28.3 Losses/Benefit & LAE Payments - Special Deposits	0
29.1 LAE Payments - SGA	0
29.2 LAE Payments - non SGA	0
30 Early Access Payments	0
31 Reinsurance Payments	0
32 Total Cash Distributions	0
33 Total Cash Disbursements & Distributions	58,204
34 Net Increase(Decrease) in Cash	(57,694)
35 Cash at Beginning of Period	89,791
36 Cash at End of Period	32,097

Ref No