

NO. D-1-GV-08-002014

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

**SPECIAL DEPUTY RECEIVER'S QUARTERLY FINANCIAL REPORT AND
SUMMARY STATEMENT OF EXPENSES
(SEPTEMBER 1, 2009 THROUGH NOVEMBER 30, 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 September 1, 2009 to November 30, 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, as Supplemented, 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
Christopher Fuller
Texas Bar No. 07515500
4612 Ridge Oak Drive, Austin, Texas 78731
Tel. (512)470-9544
Fax (512)374-0957
cfuller@fullerlaw.org
Attorney for Cantilo & Bennett, L.L.P., solely in its
capacity as the Special Deputy Receiver of
Ameritrust Title Company

And

By: /s/ Jo Ann Howard
Jo Ann Howard
Texas Bar No. 10072310
Jo Ann Howard & Associates, P.C.
P.O. Box 160130, Austin, Texas 78716
Tel. (512)791-0911
Fax (512)329-6612
iamanrd3@aol.com
Attorney for Cantilo & Bennett, L.L.P., solely in its
capacity as the Special Deputy Receiver of
Ameritrust Title Company

CERTIFICATE OF SERVICE

I certify that on December 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
Texas Bar No. 07515500

Tom Collins, Special Master
c/o Ms. Jean Sustaita
P.O. Box 149104
Mail Code 305-1D
Austin, TX 78701

Carlos A. Leon
The Leon Law Firm, P.C.
Comerica Bank Building
One Sugar Creek Center Blvd., Suite 980
Sugar Land, Texas 77478
cleon@theleonlawfirm.com

Joshua Godbey
Assistant Attorney General
P.O. Box 12548
Austin, TX 78711-2548
joshua.godbey@oag.state.tx.us

Alison H. Moore
Thompson, Coe, Cousins & Irons, L.L.P.
700 N. Pearl St., 25th floor
Dallas, TX 75201
amoore@thompsoncoe.com

Mitchell, Williams, Selig, Gates &
Woodyard, PLLC
Attorneys for the Texas Title Guaranty
Association
P.O. Box 2212
Austin, TX 78768-2212
bburner@mwlaw.com
bmccandless@mwlaw.com

Claire W. Parsons
Attorney at Law
Wilson Elser Moskowitz Edelman & Dicker
LLP
5847 San Felipe, Suite 2300
Houston, TX 77057-4033
claire.parsons@wilsonelser.com

Norman Riedmueller
Norman Riedmueller PC & Associates
6800 West Loop South, Suite 325
Bellaire, TX 77401-4528
riedmueller@covad.net

Paul J. McConnell, III
DeLange, Hudspeth, McConnell & Tibbets,
L.L.P.
1177 West Loop South, Suite 1700
Houston, Texas 77027
Fax (713) 871-2020
pmcconnell@dhmtlaw.com

Internal Revenue Service
Special Procedures Branch
P.O. Box 250
300 East 8th St., Ste. 352, Mail Stop 5022A
Austin, TX 78701

Angel Garrett
Texas Department of Insurance
Financial/Rehabilitation & Liquidation
Oversight Division
333 Guadalupe, Mail Code 305-1D
Austin, TX 78701
Angel.Garrett@tdi.state.tx.us

Rachel Giani
Texas Department of Insurance
Financial/Rehabilitation & Liquidation
Oversight Division
333 Guadalupe Mail, Code 305-1D
Austin, TX 78701
Rachel.Giani@tdi.state.tx.us

Leanne Layne
Texas Department of Insurance
Financial/Rehabilitation & Liquidation
Oversight Division
333 Guadalupe, Mail Code 305-1D
Austin, TX 78701
Leanne.Layne@tdi.state.tx.us

Myra Garrett
Texas Department of Insurance
Financial/Rehabilitation & Liquidation
Oversight Division
333 Guadalupe, Mail Code 305-1D
Austin, TX 78701
Myra.Garrett@tdi.state.tx.us

Kathy Gartner
Texas Department of Insurance
Financial/Rehabilitation & Liquidation
Oversight Division
333 Guadalupe, Mail Code 305-1D
Austin, TX 78701
Kathy.Gartner@tdi.state.tx.us

R-546

**Ameritrust Title
Statement of Expenses**

**For Period Ending
11/30/09**

	Total Sep	Total Oct	Total Nov	Total Quarter
SDR				
Cantilo & Bennett, LLP				
Partner/Attorney/	3,435.00	6,645.00	2,670.00	12,750.00
Partner/Attorney Travel/ S Salch	0.00	37.50	0.00	37.50
Partner/Attorney	0.00	0.00	0.00	0.00
Partner/Attorney Travel	0.00	0.00	0.00	0.00
Attorney/Associate/ D Price	0.00	0.00	0.00	0.00
Attorney/Associate	0.00	0.00	0.00	0.00
Attorney/Associate Travel	0.00	0.00	0.00	0.00
Receivership Specialist/	207.00	0.00	0.00	207.00
Receivership Specialist	0.00	0.00	0.00	0.00
Expenses	9.64	12.65	4.55	26.84
Total SDR Billing	3,651.64	6,695.15	2,674.55	13,021.34
SDR Subcontractors - Legal				
Jo Ann Howard & Associates, P.C.				
Senior Legal Specialist/	2,520.00	8,180.00	0.00	10,700.00
Senior Legal Specialist-Travel/ C F	0.00	0.00	0.00	0.00
Junior Legal Specialist	0.00	525.00	0.00	525.00
Junior Legal Specialist-Travel	0.00	0.00	0.00	0.00
Junior Legal Specialist	0.00	0.00	0.00	0.00
Paralegal/	108.00	63.00	0.00	171.00
Expenses	14.48	112.08	0.00	126.56
Total Billing	2,642.48	8,880.08	0.00	11,522.56
Total Legal Subcontractors	2,642.48	8,880.08	0.00	11,522.56
SDR Subcontractors - Other				
Petrosewicz & Company, Inc				
Accountant-Principal/	285.00	285.00	420.00	990.00
Accountant-Principal Travel	0.00	0.00	0.00	0.00
Senior Accountant	25.00	37.50	0.00	62.50
Senior Accountant-Travel	0.00	0.00	0.00	0.00
Accountant/Claims Specialist	0.00	0.00	0.00	0.00
Accountant/Claims Specialist-Travel	0.00	0.00	0.00	0.00
Accountant	675.00	630.00	603.00	1,908.00
Accountant	0.00	0.00	120.00	120.00
Clerical/	57.50	0.00	0.00	57.50
Clerical Travel	0.00	0.00	0.00	0.00
Expenses	18.50	8.01	13.18	39.69

Total Billing	1,061.00	960.51	1,156.18	3,177.69
EMKAY Associates				
Claims Manager/	17.00	0.00	0.00	17.00
Claims Manager	0.00	0.00	0.00	0.00
Claims Manager Travel	0.00	0.00	0.00	0.00
Claims Representative/	0.00	0.00	0.00	0.00
Claims Representative Travel	0.00	0.00	0.00	0.00
Claims Representative	0.00	0.00	0.00	0.00
Claims Representative Travel	0.00	0.00	0.00	0.00
Claims Representative/	324.00	103.50	0.00	427.50
Claims Representative	0.00	270.00	0.00	270.00
Claims Representative Travel	11.25	0.00	0.00	11.25
Records Management	0.00	0.00	0.00	0.00
Expenses	0.00	0.00	0.00	0.00
Total Billing	352.25	373.50	0.00	725.75
Total Other SDR Subcontractors	1,413.25	1,334.01	1,156.18	3,903.44
Receivership Service Providers				
SafeSite	50.00	50.00	50.00	150.00
Enterprise Bank	0.00	50.00	0.00	50.00
Receivership Service Provider Name	0.00	0.00	0.00	0.00
Operating Account	0.00	0.00	7.50	7.50
Texas Treasury	0.00	0.00	12.55	12.55
Total Other	50.00	100.00	70.05	220.05
Liquidation Oversight Allocation				
RLO Allocation	0.00	1,146.64	1,035.87	2,182.51
Special Master's Fees	0.00	790.66	144.13	934.79
Total RLO & SM Expense	0.00	1,937.30	1,180.00	3,117.30
Total Expenses	7,757.37	18,946.54	5,080.78	31,784.69

**Ameritrust Title
Statement of Net Assets**

**For the Period Ending
11/30/09**

Line		11/30/09
Cash		
1	Cash - Unrestricted	143,713
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	
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	
18	Total Unrestricted Assets	143,713
19	Total Restricted Assets	0
19A	Net Assets not Categorized	
20	Total Assets	143,713

NOTES

Ref No.

R-546

**Ameritrust Title
Changes in Net Assets**

**For Period Ending
11/30/09**

Line		Qtr Ending 08/31/09	Qtr Ending 11/30/09	Change
Cash				
1	Cash - Unrestricted	32,097	143,713	111,616
Investments				
2	Short-Tem 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	0	0	0
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	0	(4,850)
18	Total Unrestricted Assets	32,097	143,713	111,616
19	Total Restricted Assets	4,850	0	(4,850)
19A	Net Assets not Categorized		0	0
20	Total Assets	36,947	143,713	106,766

R-546

**Ameritrust Title
Statement of Net Liabilities**

**For Period Ending
11/30/09**

Line	Class	11/30/09
1	Secured Claims	1
2	Special Deposit Claims	1
Administrative		
3	Administrative Claims - State/Receiver	
	Special Deputy Receiver, Subcontractors Fees & Expenses	3,831
	Liquidation Oversight & Special Master's Fees	1,180
	Unsecured Loans	250,000
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	972,680
7	Loss Claims - Other	2
	Loss Claims Paid	
	Reserves	539,170
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	1,766,861
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities	(1,623,148)
Total Liabilities & Equity		143,713

R-546

**Ameritrust Title
Statement of Net Liabilities**

**For Period Ending
11/30/09**

NOTES

All amounts recorded based on adjudicated claims unless otherwise specified

Ref. No.

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

6 Represents amounts from the November 30, 2009 TTIGA report

Represents amounts reserved based on information obtained from Texas Department of Insurance records as of the receivership date adjusted by the 7 amounts reported by TTIGA through November 30, 2009

R-546

**Ameritrust Title
Changes in Net Liabilities**

**For Period Ending
11/30/09**

Line		Qtr Ending 08/31/09	Qtr Ending 11/30/09	Change
1	Secured Claims	4,850	0	(4,850)
2	Special Deposit Claims	0	0	0
Administrative				
3	Administrative Claims - State/Receiver		0	0
	Special Deputy Receiver, Subcontractors Fees & Expenses	10,711	3,831	(6,880)
	Liquidation Oversight & Special Master's Fees	927	1,180	253
	Unsecured Loans	100,000	250,000	150,000
4	Administrative Claims - Guaranty Assns		0	0
	Claims Paid		0	0
	Reserves		0	0
5	LAE - Guaranty Assns		0	0
	Claims Paid		0	0
	Reserves		0	0
Loss Claims				
6	Loss Claims - Guaranty Assns		0	0
	Loss Claims Paid		0	0
	Reserves	1,511,850	972,680	(539,170)
7	Loss Claims - Other		0	0
	Loss Claims Paid		0	0
	Reserves		539,170	539,170
8	LAE - Other		0	0
9	Unearned & Advance Premium Claims (Non Assessable Policies) - GA		0	0
10	Unearned & Advance Premium Claims (Non Assessable Policies) - Other		0	0
18	Unearned Premium Claims (Assessable Policies) - GA		0	0
Other Creditors				
11	Federal Government Claims		0	0
12	Employee Claims		0	0
13	General Unsecured Creditor Claims (Other than Reinsurance Related)		0	0
14	Ceded Reinsurance Related Unsecured Claims		0	0
14.1	Assumed Reinsurance Related Unsecured Claims		0	0
15	State & Local Government Claims		0	0
	State & Local Governments/Attorneys		0	0
	State & Local Governments - Penalties		0	0
16	Late Filed Claims - Unexcused		0	0
17	Surplus Notes		0	0
19	Unearned Premium Claims (Assessable Policies) - Other		0	0
20	Shareholder Claims		0	0
21	Other Liabilities		0	0
	Interest		0	0
	Other		0	0
22	Total Liabilities	1,628,338	1,766,861	138,523
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities	(1,591,391)	(1,623,148)	(31,757)
	Total Liabilities & Equity	36,947	143,713	106,766

R-546

**Ameritrust Title
Sources & Uses of Cash**

**For Period Ending
11/30/09**

Line	Qtr Ending Nov-09
Income	
1 Premium Receipts	0
2 Settlements	0
3 Policy Loan Receipts	0
4 Proceeds from Sale of Real or Personal Property	0
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	150,000
11 Total Operational Receipts	150,000
12 Interest & Dividend Receipts	28
13 Net Cash Provided by Investment Activities	0
14 Total Cash Receipts from Investment Activities	28
15 Total Cash Receipts	150,028
Operational Expenses	
16 Deputy Receiver & Consulting Fees & Expenses	16,203
17 Employee Salaries, P/R Taxes & Employee Benefits	0
18 Rent, Office & Other Facility Expenses	150
19 Legal Fees & Expenses	15,722
20 Accounting & Auditing Fees & Expenses	3,404
21 SGA - Administration Expenses other than LAE	70
22 Ancillary Administration Expenses	2,863
23 Other Disbursements	0
24 Total Operational Disbursements	38,412
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	38,412
34 Net Increase(Decrease) in Cash	111,616
35 Cash at Beginning of Period	32,097
36 Cash at End of Period	143,713

10 Loan proceeds received from Abandoned Property