

STATE OF SOUTH CAROLINA
RICHLAND COUNTY

IN THE COURT OF COMMON PLEAS
FIFTH JUDICIAL CIRCUIT

Raymond G. Farmer, as Director of the South
Carolina Department of Insurance,

Civil Action No. 2017-CP-40-05195

Petitioner,

**NOTICE OF FILING OF
FINANCIAL STATEMENTS AS OF
JUNE 30, 2021**

vs.

Oceanus Insurance Company, a Risk
Retention Group,

Respondent.

Pursuant to the South Carolina Insurers Rehabilitation and Liquidation Act, S.C. Code Ann. §§ 38-27-10 *et seq.*, the Liquidator of Oceanus Insurance Company, a Risk Retention Group in Liquidation (Oceanus) hereby files the financial statements of Oceanus as of June 30, 2021. Said financial statements are attached as Exhibit A to this filing.

Respectfully submitted,

September 1, 2021

s/ Geoffrey R. Bonham
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EXHIBIT A

Oceanus Insurance Company, Inc., a RRG in Liquidation
Balance Sheet
December 31, 2020 and June 30, 2021

	December 31,	June 30,
	2020	2021
	<u> </u>	<u> </u>
Assets		
Bonds	34,819,377	32,620,289
Cash and cash equivalents	2,401,653	3,911,463
Total cash and investments	<u>37,221,030</u>	<u>36,531,752</u>
Receivable from agents, insureds and others	13,703	13,703
Miscellaneous receivable	117,022	108,935
Investment income accrued	263,624	222,081
Ceded reinsurance premiums receivable	1,347,465	2,958,184
Amounts recoverable from reinsurers - paid	1,093,566	1,093,566
Ceded loss and LAE reserves	6,991,139	5,417,791
Total assets	<u>47,047,549</u>	<u>46,346,012</u>
Liabilities		
Loss and loss adjustment expense reserves	60,048,206	58,272,886
Other expenses	226,734	317,777
Premium refunds related to unearned premiums	6,277,830	6,277,830
Due under SC Code § 38-27-610	2,704,093	2,708,189
Total liabilities	<u>69,256,863</u>	<u>67,576,682</u>
Capital and Surplus (Deficit)		
Common stock and contributed surplus	8,899,731	8,899,731
Unassigned funds	(31,109,045)	(30,130,401)
Total policyholders surplus (deficit)	<u>(22,209,314)</u>	<u>(21,230,670)</u>
Total liabilities and surplus	<u>47,047,549</u>	<u>46,346,012</u>

Oceanus Insurance Company, Inc., a RRG in Liquidation
Statement of Cash Receipts and Disbursements
September 21, 2017 to June 30, 2021

	9-21 to 12-31					
	2017	2018	2019	2020	2021	ITD
Beginning cash and cash equivalents	5,241,981	6,583,508	1,352,721	5,656,154	2,401,653	5,241,981
Receipts						
Premiums	60,268	14,804	19,586	95,765	-	190,423
Commissions and related items	-	251,353	205,487	42,678	-	499,517
Deductible recoveries	-	20,000	-	-	-	20,000
Investment income	125,857	1,012,423	1,098,164	994,190	484,370	3,715,004
Federal tax refund	6,987	-	7,551	7,551	-	22,089
Premium tax refunds	-	191,882	135,178	4,581	-	331,641
Proceeds from investments, net	1,760,648	(4,311,940)	3,234,875	(2,371,251)	1,800,827	113,161
Claims bond proceeds	-	-	1,444,512	-	-	1,444,512
Preferences recovered	-	-	-	129,283	8,087	137,369
Other	-	15,450	600	-	-	16,050
Total receipts	1,953,760	(2,806,029)	6,145,953	(1,097,203)	2,293,284	6,489,766
Disbursements						
Loss and loss adjustment expenses	47,096	528,077	144,637	140,374	20,455	880,638
Salary and employee benefits	159,478	444,709	404,479	447,970	215,593	1,672,228
Professional fees	156,666	165,883	275,219	363,674	163,983	1,125,425
Legal fees	33,992	301,808	322,667	491,056	85,872	1,235,395
Special Deputy Liquidator	45,292	676,414	440,489	489,011	181,380	1,832,586
Rent, rent items and utilities	41,098	72,847	59,732	61,080	27,696	262,453
EDP equipment, software and consulting	34,781	82,876	24,530	15,988	8,097	166,273
Offices supplies, postage and printing	16,222	10,039	14,487	12,586	7,060	60,394
Insurance	-	1,943	11,110	9,934	11,627	34,614
Investment advisory and bank charges	33,603	139,003	144,743	125,526	61,710	504,585
Publication costs	42,750	-	-	-	-	42,750
Other	1,257	1,159	428	99	-	2,943
Total disbursements	612,234	2,424,758	1,842,520	2,157,298	783,474	7,820,284
Net cash flows	1,341,526	(5,230,787)	4,303,433	(3,254,501)	1,509,811	(1,330,518)
Ending cash and cash equivalents	6,583,508	1,352,721	5,656,154	2,401,653	3,911,463	3,911,463

Oceanus Insurance Company, Inc., a RRG in Liquidation
 Payments to Consultants and Other Professionals (A)
 September 21, 2017 to June 30, 2021

	9-21 to 12-31					ITD	Comments
	2017	2018	2019	2020	2021		
FitzGibbons and Company, Inc.	45,292	676,414	440,489	489,011	181,380	1,832,586	Special Deputy Liquidator
USA Risk Group, Inc.	50,000	37,521	-	-	-	87,521	Captive Manager
The HDH Group Inc.	41,446	15,123	-	-	-	56,569	MGU
South Carolina Department of Insurance	35,281	-	-	-	-	35,281	Confidential Supervision
Francine L. Semaya	24,203	202,186	169,876	149,759	5,228	551,253	Legal
Actuarial Solutions	13,744	-	-	-	-	13,744	Actuarial
Haynsworth Sinkler Boyd, P.A.	9,789	99,621	150,291	323,169	73,080	655,950	Legal
Financial Risk Analysts, LLC	7,838	-	-	-	-	7,838	Actuarial
Frederich Bingham	4,154	56,390	-	79,702	54,831	195,076	Consulting - Claims
Bauknight Pietras & Storm, PA	3,757	-	-	-	-	3,757	Tax Preparation
Plante & Moran, PLLC	-	8,000	5,250	5,000	5,150	23,400	Tax Preparation
Pension Systems, Inc.	446	1,824	1,142	3,197	521	7,130	401K Services
William Maldonado	-	20,363	5,450	-	-	25,813	Consulting
Shahriar Arfa-Zanganeh CPA, CFF	-	26,663	158,186	89,972	2,025	276,845	Consulting
Martin C. McWilliams, Jr.	-	-	2,500	-	-	2,500	Legal
DeVito Consulting, Inc.	-	-	34,669	86,306	49,488	170,463	Consulting
Huggins Actuarial Services, Inc.	-	-	70,522	99,497	51,969	221,988	Consulting
Clawson & Staubes, L.L.C.	-	-	-	1,137	-	1,137	Legal
Guttilla Murphy Anderson, P.C.	-	-	-	2,750	-	2,750	Legal
Devlin & Parkinson P.A.	-	-	-	13,640	-	13,640	Legal
Humphrey, Berger & Assoc., LLP	-	-	-	600	7,565	8,165	Legal
Total	235,951	1,144,105	1,038,374	1,343,740	431,235	4,193,406	

(A) - Excludes LAE payments to various vendors.