

**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,

Petitioner,

vs.

Oceanus Insurance Company, a Risk
Retention Group,

Respondent.

Civil Action No. 2017-CP-40-05195

**NOTICE OF FILING OF
FINANCIAL STATEMENTS AS OF
JUNE 30, 2019**

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, 2019. Said financial statements are attached as Exhibit A to this filing.

August 13, 2019

Respectfully submitted,

s/ Geoffrey R. Bonham
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One of the Attorneys for Petitioner

Oceanus Insurance Company, Inc., a RRG in Liquidation
Statement of Cash Receipts and Disbursements
September 21, 2017 to June 30, 2019

	9-21 to 12-31		2019			ITD
	2017	2018	1st Qtr	2nd Qtr	Total	
Beginning cash and cash equivalents	5,241,981	6,583,508	1,352,721	1,605,763	1,352,721	5,241,981
Receipts						
Premiums	60,268	14,804	4,586	-	4,586	79,658
Commissions and related items	-	251,353	20,434	964	21,398	272,751
Deductible Recoveries	-	20,000	-	-	-	20,000
Investment income	125,857	1,012,423	311,706	235,248	546,954	1,685,234
Federal Tax Refund	6,987	-	-	-	-	6,987
Premium Tax Refunds	-	191,882	2,251	98,738	100,989	292,870
Proceeds from investments, net	1,760,648	(4,311,940)	350,805	1,593,433	1,944,238	(607,053)
Claims Bond proceeds	-	-	-	1,444,512	1,444,512	1,444,512
Other	-	15,450	600	-	600	16,050
Total receipts	1,953,760	(2,806,029)	690,382	3,372,895	4,063,277	3,211,008
Disbursements						
Loss and loss adjustment expenses	47,096	528,077	33,867	23,660	57,527	632,700
Salary and employee benefits	159,478	444,709	94,729	102,398	197,128	801,315
Professional fees	156,666	165,883	56,021	42,426	98,447	420,997
Legal fees	33,992	301,808	99,668	47,113	146,781	482,581
Special Deputy Liquidator	45,292	676,414	89,790	128,492	218,282	939,989
Rent, rent items and utilities	41,098	72,847	13,509	15,898	29,407	143,351
EDP equipment, software and consulting	34,781	82,876	6,081	10,467	16,548	134,205
Offices supplies, postage and printing	16,222	10,039	1,767	4,163	5,930	32,190
Insurance	-	1,943	5,521	3,351	8,872	10,815
Investment advisory and bank charges	33,603	139,003	36,084	36,553	72,637	245,243
Publication costs	42,750	-	-	-	-	42,750
Other	1,257	1,159	301	28	329	2,745
Total disbursements	612,234	2,424,758	437,339	414,549	851,888	3,888,880
Net cash flows	1,341,526	(5,230,787)	253,042	2,958,346	3,211,389	(677,872)
Ending cash and cash equivalents	6,583,508	1,352,721	1,605,763	4,564,110	4,564,110	4,564,110

Cash Rec. & Disb.

Oceanus Insurance Company, Inc., a RRG in Liquidation
Payments to Consultants and Other Professionals (A)
September 21, 2017 to June 30, 2019

	9-21 to 12-31		2019			ITD	Comments
	2017	2018	1st Qtr	2nd Qtr	Total		
FitzGibbons and Company, Inc.	45,292	676,414	89,790	128,492	218,282	939,989	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	70,788	17,940	88,728	315,118	Legal
Actuarial Solutions	13,744	-	-	-	-	13,744	Actuarial
Haynsworth Sinkler Boyd, P.A.	9,789	99,621	28,880	29,173	58,053	167,463	Legal
Financial Risk Analysts, LLC	7,838	-	-	-	-	7,838	Actuarial
Frederich Bingham	4,154	56,390	-	-	-	60,544	Consulting - Claims
Bauknight Pietras & Storm, PA	3,757	-	-	-	-	3,757	Tax Preparation
Plante & Moran, PLLC	-	8,000	-	-	-	8,000	Tax Preparation
Pension Systems, Inc.	446	1,824	446	696	1,142	3,412	401K Services
William Maldonado	-	20,363	1,350	1,600	2,950	23,313	Consulting
Shahriar Arfa-Zanganeh CPA, CFF	-	26,663	54,225	40,130	94,355	121,018	Accounting Services
	235,951	1,144,105	245,480	218,031	463,511	1,843,567	

(A) - Excludes LAE payments to various vendors.