

STATE OF VERMONT

SUPERIOR COURT

WASHINGTON UNIT

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COMMISSIONER OF THE  
DEPARTMENT OF FINANCIAL  
REGULATION

PLAINTIFF,

v.

ELITE TRANSPORTATION RISK  
RETENTION GROUP, INC.,  
RESPONDENT.  
\_\_\_\_\_

CIVIL DIVISION

DOCKET NO. 175-3-18 Wncv

**LIQUIDATOR'S TENTH STATUS REPORT, ANNUAL  
ACCOUNTING, AND FIFTH REPORT OF CLAIMS**

I, J. David Leslie, Special Deputy Liquidator, hereby submit this Tenth Status Report regarding the liquidation of Elite Transportation Risk Retention Group, Inc. ("ETRRG" or the "Company"), an annual accounting (attached as Exhibit A), and the Liquidator's Fifth Report of Claims (attached as Exhibit B).

1. On March 15, 2018, the Commissioner of the Department of Financial Regulation ("Commissioner") filed an *ex parte* Petition for Seizure Order pursuant to 8 V.S.A. § 7042(b), seeking, among other things, authorization to take possession and control of ETRRG. The Court granted the Commissioner's petition by entering the requested order ("Seizure Order") on March 29, 2018. Following entry of the Seizure Order, the Commissioner further investigated the Company's condition, concluded that rehabilitation would be futile, and filed a Petition for Order of Liquidation on April 20, 2018. On May 7, 2018, the ETRRG board of directors voted unanimously to assent to the proposed Order of Liquidation. On May 15, 2018, the Court entered its Order of Liquidation ("Liquidation Order") that, among other things, appointed the

Commissioner as Liquidator (“Liquidator”), authorized him to appoint a special deputy liquidator, and approved the Plan of Liquidation. The Liquidator appointed me to serve as Special Deputy Liquidator on May 15, 2018.

2. The Liquidator’s Prior Status Reports. On July 16, 2018, I submitted the Liquidator’s First Status Report describing, among other things, the establishment of a claim filing deadline (May 15, 2019), the provision of notice to potential creditors of ETRRG, the consolidation of ETRRG’s assets and administration, and next steps in the Liquidation. On October 31, 2018, I submitted the Liquidator’s Second Status Report which provided an update on the Company’s assets, claims filed with the Liquidator, the Liquidator’s analysis of historical member assessments, and next steps in the Liquidation. Additional detail regarding historical assessments and the Liquidator’s plan for additional assessments was provided in the *Liquidator’s Report: Financial Condition, Collectability of Outstanding Assessments and Options* (“2018 Assessment Report”) attached as Exhibit A to the Liquidator’s Second Status Report. On January 14, 2019, I submitted the Liquidator’s Third Status Report providing updated information on Company assets, claims, and administrative matters. The Court approved the Liquidator’s request to extend the claim filing deadline to November 15, 2019. On December 23, 2019, I submitted the Liquidator’s Annual Report and Status Report. I then submitted the Liquidator’s Fifth Status Report on June 20, 2020 and the Liquidator’s Sixth Status Report, Annual Accounting, and First Report of Claims on January 22, 2021. On August 12, 2021, I submitted the Liquidator’s Seventh Status Report and Second Report of Claims and on March 29, 2022, I submitted the Liquidator’s Eight Status Report, Annual Accounting, and Third Report of Claims. All of these filings have been publicly posted on the liquidation website ([www.etrrg.com](http://www.etrrg.com)).

3. Earlier this year, on January 31, 2023, I submitted the Liquidator's Ninth Status Report and Fourth Report of Claims. That status report advised that the Liquidator expected to have all claims finally determined or reserved before April 30, 2023, and that a status report would be delivered to the Court shortly thereafter accompanied by an annual accounting and motions to address the potential for assessment and/or distribution to estate creditors.

### **ANNUAL ACCOUNTING**

4. The Liquidator is required to file an annual accounting with the Court reporting the assets and liabilities of ETRRG and all funds received or disbursed during the current period. See 8 V.S.A. § 7057(d); Liquidation Order ¶ 4. A report showing, in chronological order, all ETRRG funds received or disbursed between entry of the Liquidation Order and April 30, 2023, is attached as Exhibit A.

5. **Balance Sheet.** A simplified balance sheet reflecting ETRRG's financial condition as of April 30, 2023 is presented below in Table 1.

**Table 1 – Simplified ETRRG Balance Sheet as of April 30, 2023**

<b>ASSETS</b>		
Cash	\$	341,709
Cash Equivalents		10,670,599
Reinsurance Receivable		3,000,000
Total Assets	\$	14,012,308
<b>LIABILITIES</b>		
Priority Class 1		
Administrative Expense Reserve	\$	221,279
Approved or Finally Determined		9,204
Subtotal (Class 1)		230,483
Priority Class 3		
Approved or Finally Determined		12,565,079
Reserved or Estimated		2,183,009
Subtotal (Class 3)		14,784,088
Priority Class 6		225,963
Priority Class 9		400,000
Total Liabilities	\$	15,604,534

6. Assets. The Company's cash, cash equivalents, and other liquid assets have been marshalled and consolidated in either an account in the Vermont branch of a national banking institution or an investment account at Wilmington Trust. It should be noted that the cash figure includes proceeds of a settlement between the Liquidator and the Internal Revenue Service regarding ETRRG's pre-liquidation claims for tax refunds that was approved by the Court on October 12, 2020. The cash equivalents figure is high because, as invested estate assets matured, the Liquidator has reinvested them in very short duration securities (i.e. cash equivalents) in anticipation of making distributions pursuant to 8 V.S.A. § 7083. See, *infra*, ¶ 16 (regarding timelines for distribution). With regard to reinsurance receivables, the Liquidator estimates the remaining value of reinsurance benefits at \$3.0 million.<sup>1</sup>

7. In addition to Company assets, as of April 30, 2023, the Liquidator was holding \$327,856, in constructive trust as security against members' deductible obligations under the conditions described in the Liquidator's Plan for Administration of Prepaid Deductibles. This reflects a substantial reduction from the original security held because, as claims are determined, the Liquidator has been able to release \$298,775.90 in excess security that is no longer required to protect ETRRG's deductible exposure. (The Plan for Administration of Prepaid Deductibles was submitted as an exhibit to the Liquidator's Fifth Status Report and has been posted at [www.etrreg.com](http://www.etrreg.com).) The Liquidator has completed excess security calculations for all members and anticipates issuing reports within the next thirty days to all members entitled to release of

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<sup>1</sup> This estimate implies that reinsurance recoveries in liquidation will total approximately \$7.2 million (\$4,227,701 recovered through April 30, 2023 plus \$3.0 million receivables as of that date -- \$771,623 of which was reduced to cash between April 30, 2023 and the date of this report). This figure is lower than the 2018 actuarial estimate due principally to the fact that the Liquidator now projects an ultimate claim exposure (\$14.45 million) that is substantially lower than the 2018 actuarial estimate (\$20.1 million).

security. The Liquidator expects that this process will result in release of the vast majority (more than 85%) of the remaining Prepaid Deductibles.

8. Liabilities. Vermont law requires that payments on claims against insolvent insurers be made in accordance with statutorily established priorities and that all claims in a priority class be paid in full (or adequate reserves established for such payment) before claims in subsequent classes receive any distribution. 8 V.S.A. § 7081. Accordingly, in Table 1 the Liquidator presents the Company's estimated liabilities in terms of priority classification rather than the standard format applicable to an insurer operating as a going concern.<sup>2</sup>

- a. *Priority Class 1 (Administrative Expense)* -- For priority class 1, the Liquidator established an administrative reserve of \$1 million which was increased to \$1.25 million at the end of 2022. Administrative expenses from the start of the proceeding through April 30, 2023 totaled \$1,028,721. This leaves \$221,279 remaining in the administrative expense reserve.<sup>3</sup>
- b. *Priority Class 3 (Claims Arising under Policies)* -- The \$14.7 million figure presented in Table 1 reflects the best-available information regarding policy-related exposure and is drawn from two data sources. First, the Liquidator has resolved more than 90% of the proofs of claim ("POCs" or a "POC") filed in this proceeding that seek payment under ETRRG policies. The value of these claims, which include both those previously allowed by the Court and those submitted for

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<sup>2</sup> The Liquidator has recommended and the Court has ordered allowance of claims falling in priority classes 1, 3, 6, 9, and 10. See 8 V.S.A. § 7081. The Liquidator does not anticipate that any claims will be recommended for allowance in the remaining priority classes.

<sup>3</sup> Administrative expenses totaled \$243,973 in 2018, \$146,235 in 2019, \$225,662 in 2020, \$158,088 in 2021, and \$188,952 in 2022. Administrative expenses through the first four months of 2023 -- \$65,810 -- have been somewhat above-trend (approximately \$200,000 on an annualized basis), primarily as the result of intensified efforts to close the remaining claims. These costs are unlikely to be recurring so the Liquidator is hopeful that the majority of the remaining reserve can be released at the close of the proceeding for distribution to estate creditors.

approval in the Fifth Report of Claims (Exhibit A) is \$12,565,350. Second, for the remaining POCs (those that have not been determined or for which the Liquidator's determination is not yet final), the Liquidator has either established a reserve (for claims where determination has been deferred) or produced a best estimate of claim value (for claims that require further investigation). This reserve/estimate figure -- \$2,113,393 -- is a projection regarding a small number of claims so the Liquidator cautions that it could be subject to material variability.

- c. *Priority Class 6 (General Unsecured Obligations)* – All of the POCs evaluated by the Liquidator as giving rise to potential priority class 6 exposures have been finally determined. The total amount of these claims is \$225,963 and the Liquidator does not anticipate allowing any additional claims in priority class 6.
- d. *Priority Class 9 (Surplus or contribution notes, similar obligations, and premium refunds on assessable policies)*. The Liquidator has received a single priority class 9 claim which has been allowed in the amount of \$400,000. Additional priority class 9 claims may be created if the Liquidator's Motion for Approval to Make Corrective Assessments Under Shareholder Agreements (filed herewith) is granted.
- e. *Priority Class 10 (Shareholder claims)*. The Liquidator does not anticipate that estate assets will be sufficient to make distribution on shareholder claims. He has therefore declined to make a determination as to the amount of such claims and has, instead, issued determinations solely as to priority. See Plan of Liquidation, ¶ 2.c.

## **STATUS REPORT**

9. **Filing of Proofs of Claim.** The Liquidator established May 15, 2019 as the claim filing deadline. See Liquidation Order, ¶ 6(b). The Liquidator thereafter requested a six-month extension which the Court granted on May 24, 2019. See Order Extending Claim Filing Deadline. All claims in the ETRRG estate, therefore, were to have been filed on or before November 15, 2019. The Liquidator received 378 POC forms before the November 15, 2019 deadline and an additional fourteen completed POCs after that date for a total of 392 POCs received. See 8 V.S.A. § 7074(d) (“The liquidator may consider any claim filed late... and permit it to receive distributions... if the payment does not prejudice the orderly administration of the estate.”). The Liquidator does not anticipate that any additional POCs could be considered at this point without prejudicing the orderly administration of the estate.

10. A POC may present a single claim (e.g. recovery for loss resulting from a single motor vehicle accident) or multiple claims (e.g. the form encloses a schedule identifying losses relating to several motor vehicle accidents). Accordingly, the Liquidator has assigned separate control numbers to each claim presented in a POC -- e.g. POC No. 277 has been subdivided into sixty-five subclaims assigned POC Nos. 277a through 277bm. Counted in this manner, the Liquidator has received a total of 565 claims.

11. **Claim Determinations.** The Liquidator is charged with receiving claims, making such further investigation as he deems necessary, and (if he finds it is a valid claim) issuing a determination as to the value and priority class in which it should be recommended for allowance. See, e.g., 8 V.S.A. §§ 7078 and 7082. As of the date of this report, the status of all 565 claims filed in the proceeding is as shown in Table 2:

**Table 2 – Status of ETRRG Claim Determinations**

<u>Status</u>	<u>No. of Claims</u>
Finally Determined	
First Report of Claims	173
Second Report of Claims	45
Third Report of Claims	90
Fourth Report of Claims	207
Fifth Report of Claims	<u>26</u>
Subtotal	541
Determination Issued and Pending	13
Objection Received	3
Disputed Claims	0
Not Yet Determined/ Reserve Established	<u>8</u>
Total	565

“Finally Determined” claims are those that have been withdrawn or for which the Liquidator has completed his investigation, issued a notice of determination, resolved any objections, and made a report to the Court. See 8 V.S.A. §§ 7078 (“Within 60 days from the mailing of the notice [of determination], the claimant may file an objection with the liquidator. If no such objection is made, the claimant may not further object to the determination.”); 7082 (After resolution of any objections, the Liquidator shall “present to the Court a report of the claims against the insurer with recommendations” and “[t]he Court may approve, disapprove, or modify the report...”). Claims in the “Determination Issued and Pending” category are those for which a determination has been issued and the 60 day objection period is presently running. See *id.* If an objection is received, those claims would be moved to the “Objection Received” category and the Liquidator would then conduct such further investigation/analysis before issuing a notice of re-determination. All notices of re-determination issued to-date have resolved the creditor’s objections such that the relevant claims are reported as “Finally Determined” and the category of “Disputed Claims” (which would be reported to the Court for a hearing) is empty. See 8 V.S.A. § 7078(b) (“Whenever objections are filed with the liquidator and the liquidator does not alter his

or her denial [and the claimant remains dissatisfied] the liquidator shall ask the Court for a hearing as soon as practicable...”). This leaves claims that have not yet been determined because the Liquidator has concluded that they are not yet ripe for determination, has estimated the value in which they might ultimately be determined, and has established a reserve.

12. Discussions with Reinsurer. ETRRG’s reinsurance agreements contemplate that communications will flow through an intermediary (the reinsurance broker). In light of the circumstances, however, the reinsurer contacted the Liquidator directly to discuss the liquidation process and its implications for the reinsurance relationship. As part of those discussions, the Liquidator requested the members’ assistance in generating (and updating) a survey of known or suspected claims. The Liquidator has also responded to various information requests and kept the reinsurer informed regarding potential resolution of large claims.

13. The Liquidator’s Second, Third, and Fourth Reports of Claims included a number of claims with liability that breached ETRRG’s retention under the relevant reinsurance certificates. Accordingly, when the Court entered its orders approving those reports the Liquidator submitted claims to the reinsurer. The Liquidator and reinsurer worked together collaboratively to substantiate those claims and the reinsurer has made full and prompt payment which, to date, totals \$4,227,701. As of April 30, 2023, the Liquidator anticipated remaining reinsurance recoveries of approximately \$3 million. Since that time, the reinsurer has remitted payment of \$771,625, leaving approximately \$2.23 million in remaining reinsurance receivable.

## **FIFTH REPORT OF CLAIMS**

14. The Liquidator has issued notices of determination or received notices of withdrawal relating to 555 claims.<sup>4</sup> See, supra, ¶¶ 10 (regarding claim counts) and 11 (regarding determinations and claim status). The Liquidator's First, Second, Third, and Fourth Reports of Claims have previously advised that Court with regard to 515 of those determinations/withdrawals. Since the Fourth Report of Claims was filed on January 31, 2023, an additional 26 claims have become finally determined or withdrawn. See 8 V.S.A. § 7078(a) ("Within 60 days from the mailing of notice [of determination] the claimant may file objections with the liquidator" and "[i]f no such filing is made, the claimant may not further object to the determination.") Those 26 claims are reported in the Liquidator's Fifth Report of Claims, attached as Exhibit B, together with the Liquidator's recommendations. See 8 V.S.A. § 7082(a) ("As soon as practicable, the liquidator shall present to the Court a report of the claims against the insurer with recommendations.")

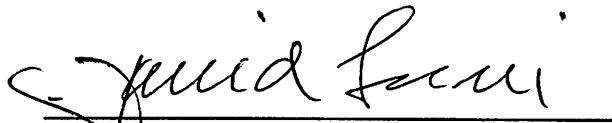
15. By his Motion for Order Approving Liquidator's Fifth Report of Claims (filed herewith), the Liquidator requests that the Court enter an order approving the Fifth Report of Claims. See to 8 V.S.A. § 7082(b) ("The court may approve, disapprove, or modify the report on claims [filed] by the liquidator.")

16. Next Steps. The Liquidator will investigate the notices of determination for which objections have been received and work to resolve those matters or present them to the Court for disputed claim proceedings. The Liquidator will also monitor the status of the claims for which reserves have been posted and issue notices of determination as they become ripe for


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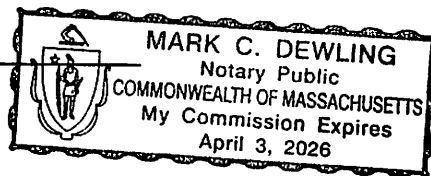
<sup>4</sup> Claims are typically withdrawn as part of a settlement (e.g. one claim is to be allowed and competing claims withdrawn) or where unilateral withdrawal might facilitate efforts in another proceeding (e.g. collections from another insurer/tortfeasor).

determination. When the Court issues an order regarding Liquidator's Motion for Approval to Make Corrective Assessments Under Shareholder Agreements, the Liquidator will file a motion for authority to pay distributions pursuant to 8 V.S.A. § 7083. Regardless, the Liquidator proposes to file his next status report with the Court in six months.

  
\_\_\_\_\_  
J. David Leslie  
Special Deputy Liquidator

Subscribed and sworn before me  
this 7<sup>th</sup> day of June, 2023.

  
\_\_\_\_\_  
Notary Public  
My commission expires:



## **EXHIBIT A**

All ETRRG Receipts and Disbursements between May 15, 2018 and April 30, 2023<sup>1</sup>

<b>Date</b>	<b>Payee/Payor</b>	<b>Description</b>	<b>Amount</b>
07/05/2018	Baker Tilly Virchow Krause LLP	Accounting Services	\$ (1,650.00)
07/05/2018	Harland Clarke Corp.	Check Order	(157.80)
07/05/2018	MK Claims Administrators, LLC	TPA Claim Fees	(15,500.00)
07/06/2018	Paul Frank & Collins	Tax Litigation	(3,815.53)
07/17/2018	Paul Frank & Collins	Tax Litigation	(6,783.13)
07/19/2018	Rackemann Sawyer & Brewster	Professional Services	(18,101.35)
07/25/2018	Baker Tilly Virchow Krause LLP	Accounting Services	(1,650.00)
07/31/2018	People's United Bank	Bank Fees	(15.00)
08/02/2018	MK Claims Administrators, LLC	TPA Claim Fees	(15,500.00)
08/24/2018	Merlinos Actuaries Consultants	Actuarial Services	(19,345.00)
09/04/2018	Marcello & Kivisto, LLC	Legal Services	(736.02)
09/04/2018	Marcello & Kivisto, LLC	Legal Services	(1,888.64)
09/04/2018	Marcello & Kivisto, LLC	Legal Services	(615.00)
09/04/2018	Marcello & Kivisto, LLC	Legal Services	(180.00)
09/11/2018	Risk Services, LLC	Captive Management Fees & Expenses	(13,233.40)
09/14/2018	Risk Services, LLC	Captive Management Fees & Expenses	(1,181.60)
09/17/2018	Rackemann Sawyer & Brewster	Professional Services	(34,471.09)
09/26/2018	Merlinos Actuaries Consultants	Actuarial Services	(36,137.50)
10/05/2018	Road Scholar Transport	Pre-Liquidation Assessment Paid	817.00
10/05/2018	MK Claims Administrators, LLC	TPA Claim Fees	(15,500.00)
10/19/2018	MK Claims Administrators, LLC	TPA Claim Fees	(15,500.00)
11/08/2018	Merlinos Actuaries Consultants	Actuarial Services	(19,795.00)
11/09/2018	Road Scholar Transport	Pre-Liquidation Assessment Paid	817.00
11/15/2018	Paul Frank & Collins	Tax Litigation	(1,733.29)
11/20/2018	Risk Services, LLC	Captive Management Fees & Expenses	(206.93)
11/21/2018	Rackemann Sawyer & Brewster	Professional Services	(18,235.13)
12/07/2018	Risk Services, LLC	Captive Management Fees & Expenses	(626.50)
			Receipts \$ 2,451.00
			Disbursements 249,973.41
			2018 Net Cash Flow \$ 241,522.41
<b><u>2019</u></b>			
01/08/2019	Paul Frank & Collins	Tax Litigation	\$ (1,518.59)
01/16/2019	Rackemann Sawyer & Brewster	Professional Services	(4,945.00)
01/16/2019	Rackemann Sawyer & Brewster	Professional Services	(20,267.19)
01/16/2019	Risk Services, LLC	Captive Management Fees & Expenses	(151.40)

<sup>1</sup> Exhibit A reflects receipts/disbursements from the ETRRG estate (excepting interest and investment income). The transactions by which the Liquidator closed Company's operating accounts and consolidated assets in a Vermont financial institution are omitted from Exhibit A because they reflect transfers rather than receipts/disbursements. Transactions regarding prepaid deductible held in constructive trust are similarly excluded as they do not relate to estate assets.

<b>Date</b>	<b>Payee/Payor</b>	<b>Description</b>	<b>Amount</b>
02/08/2019	Road Scholar Transport	Pre-Liquidation Assessment Paid	\$ 1,634.00
02/08/2019	Alabama Department of Insurance	Filing Fees	(10.00)
02/08/2019	Arkansas Insurance Dept.	Filing Fees	(10.00)
02/12/2019	Kentucky State Treasurer	Filing Fees	(6.00)
02/18/2019	Marcello & Kivisto, LLC	Legal Services	(3,198.04)
02/21/2019	Socius Insurance Services, Inc.	D & O Insurance Premium	(9,862.65)
02/28/2019	Risk Services, LLC	Captive Management Fees & Expenses	(1,101.50)
02/28/2019	Delaware Insurance Department	Filing Fees	(10.00)
02/28/2019	TN Dept of Commerce & Insurance	Filing Fees	(10.00)
03/12/2019	Wyoming Insurance Department	Filing Fees	(10.00)
03/12/2019	Zimmerman Truck Lines, Inc.	Pre-Liquidation Assessment Paid	45.00
03/22/2019	Paul Frank & Collins	Tax Litigation	(536.50)
03/28/2019	Rackemann Sawyer & Brewster	Professional Services	(3,993.40)
04/03/2019	Risk Services, LLC	Captive Management Fees & Expenses	(1,345.50)
04/26/2019	TN Dept of Commerce & Insurance	Filing Fees	(10.00)
05/10/2019	Rackemann Sawyer & Brewster	Professional Services	(5,029.86)
05/10/2019	Rackemann Sawyer & Brewster	Professional Services	(11,920.36)
05/15/2019	Paul Frank & Collins	Tax Litigation	(552.20)
05/15/2019	Rackemann Sawyer & Brewster	Professional Services	(14,825.50)
06/07/2019	Rackemann Sawyer & Brewster	Professional Services	(6,350.37)
06/17/2019	Risk Services, LLC	Captive Management Fees & Expenses	(502.50)
06/24/2019	Rackemann Sawyer & Brewster	Professional Services	(8,704.72)
06/24/2019	Risk Services, LLC	Captive Management Fees & Expenses	(39.85)
07/11/2019	Risk Services, LLC	Captive Management Fees & Expenses	(296.70)
07/17/2019	Risk Services, LLC	Captive Management Fees & Expenses	(574.70)
07/17/2019	Paul Frank & Collins	Tax Litigation	(1,207.50)
08/02/2019	Johnson Lambert	Tax Return Preparation (2017 & 2018)	(7,000.00)
08/16/2019	Rackemann Sawyer & Brewster	Professional Services	(2,435.20)
08/28/2019	Risk Services, LLC	Captive Management Fees & Expenses	(1,877.49)
09/10/2019	Rackemann Sawyer & Brewster	Professional Services	(5,038.20)
09/18/2019	Risk Services, LLC	Captive Management Fees & Expenses	(83.70)
09/18/2019	Paul Frank & Collins	Tax Litigation	(2,617.35)
09/18/2019	Rackemann Sawyer & Brewster	Professional Services	(12,008.30)
10/28/2019	Risk Services, LLC	Captive Management Fees & Expenses	(224.70)
11/12/2019	Risk Services, LLC	Captive Management Fees & Expenses	(1,307.50)
11/12/2019	Johnson Lambert	Tax Litigation	(2,365.00)
11/27/2019	Rackemann Sawyer & Brewster	Professional Services	(14,287.60)
Receipts			\$ 1,679.00
Disbursements			(146,235.07)
2019 Net Cash Flow			\$ (144,556.07)

<b>Date</b>	<b>Payee/Payor</b>	<b>Description</b>	<b>Amount</b>
<u>2020</u>			
01/11/2020	Rackemann Sawyer & Brewster	Professional Services	\$ (11,561.62)
01/17/2020	Johnson Lambert	Tax Litigation	(962.00)
01/17/2020	Risk Services, LLC	Captive Management Fees & Expenses	(443.85)
02/14/2020	Rackemann Sawyer & Brewster	Professional Services	(18,737.67)
02/24/2020	Risk Services, LLC	Captive Management Fees & Expenses	(61.00)
03/11/2020	Rackemann Sawyer & Brewster	Professional Services	(6,640.66)
03/19/2020	Paul Frank & Collins	Tax Litigation	(19,488.58)
04/01/2020	Risk Services, LLC	Captive Management Fees & Expenses	(230.00)
04/14/2020	Rackemann Sawyer & Brewster	Professional Services	(9,582.50)
05/01/2020	Johnson Lambert	Accounting Services	(5,350.00)
05/07/2020	Paul Frank & Collins	Tax Litigation	(1,894.00)
05/07/2020	Rackemann Sawyer & Brewster	Professional Services	(27,327.00)
05/13/2020	Risk Services, LLC	Captive Management Fees & Expenses	(68.50)
05/18/2020	People's United Bank	Bank Fees	(3.00)
06/09/2020	Johnson Lambert	Tax Litigation	(2,340.00)
06/15/2020	Johnson Lambert	Accounting Services	(1,350.00)
06/16/2020	People's United Bank	Bank Fees	(3.00)
06/22/2020	Rackemann Sawyer & Brewster	Professional Services	(28,603.13)
07/07/2020	Risk Services, LLC	Captive Management Fees & Expenses	(575.00)
07/08/2020	Paul Frank & Collins	Tax Litigation	(5,268.16)
07/16/2020	People's United Bank	Bank Fees	(3.00)
07/22/2020	Rackemann Sawyer & Brewster	Professional Services	(9,872.00)
08/04/2020	Risk Services, LLC	Captive Management Fees & Expenses	(4,710.10)
08/18/2020	People's United Bank	Bank Fees	(3.00)
08/19/2020	Risk Services, LLC	Captive Management Fees & Expenses	(24.00)
08/24/2020	Risk Services, LLC	Captive Management Fees & Expenses	(593.50)
09/11/2020	Rackemann Sawyer & Brewster	Professional Services	(8,085.50)
09/15/2020	Rackemann Sawyer & Brewster	Professional Services	(5,329.50)
09/16/2020	People's United Bank	Bank Fees	(3.00)
09/28/2020	Risk Services, LLC	Captive Management Fees & Expenses	(127.50)
09/29/2020	Rackemann Sawyer & Brewster	Professional Services	(14,763.50)
10/13/2020	People's United Bank	Bank Fees	(3.00)
10/16/2020	Risk Services, LLC	Captive Management Fees & Expenses	(268.91)
10/19/2020	Johnson Lambert	Accounting Services	(1,300.00)
10/27/2020	Paul Frank & Collins	Tax Litigation	(2,947.03)
11/05/2020	Rackemann Sawyer & Brewster	Professional Services	(24,490.70)
11/09/2020	People's United Bank	Bank Fees	(3.00)
11/17/2020	Risk Services, LLC	Captive Management Fees & Expenses	(52.50)
11/20/2020	Rackemann Sawyer & Brewster	Professional Services	(12,573.50)
12/08/2020	Risk Services, LLC	Captive Management Fees & Expenses	(16.50)

Date	Payee/Payor	Description	Amount
12/09/2020	People's Bank	Bank Fees	(3.00)
		Disbursements	\$ (225,662.41)
		2020 Net Cash Flow	\$ (225,662.41)

2021

1/5/2021	IRS	IRS Settlement	\$ 44,521.65
1/13/2021	Risk Services, LLC	Captive Management Fees & Expenses	(151.50)
1/13/2021	Rackemann Sawyer & Brewster	Professional Services	(5,671.00)
1/19/2021	People's United Bank	Bank Fees	(3.00)
1/20/2021	Paul Frank & Collins	Tax Litigation	(629.00)
2/17/2021	People's United Bank	Bank Fees	(5.00)
3/3/2021	Johnson Lambert	Tax Litigation	(900.00)
3/9/2021	Rackemann Sawyer & Brewster	Professional Services	(6,994.50)
3/10/2021	Risk Services, LLC	Captive Management Fees & Expenses	(483.58)
3/16/2021	People's United Bank	Bank Fees	(5.00)
3/18/2021	Rackemann Sawyer & Brewster	Professional Services	(34,954.72)
3/18/2021	Johnson Lambert	Tax Return Preparation	(1,400.00)
4/16/2021	Risk Services, LLC	Captive Management Fees & Expenses	(915.00)
4/16/2021	People's United Bank	Bank Fees	(5.00)
4/20/2021	Rackemann Sawyer & Brewster	Professional Services	(4,134.00)
5/18/2021	People's United Bank	Bank Fees	(5.00)
5/19/2021	Rackemann Sawyer & Brewster	Professional Services	(2,132.50)
6/10/2021	Rackemann Sawyer & Brewster	Professional Services	(3,747.50)
6/16/2021	People's United Bank	Bank Fees	(5.00)
07/09/2021	Rackemann Sawyer & Brewster	Professional Services	(16,872.79)
07/12/2021	Risk Services, LLC	Captive Management Fees & Expenses	(57.80)
07/12/2021	Risk Services, LLC	Captive Management Fees & Expenses	(7,355.80)
07/16/2021	People's United Bank	Bank Fees	(5.00)
08/03/2021	Johnson Lambert	Tax Return Preparation	(1,400.00)
08/10/2021	Rackemann Sawyer & Brewster	Professional Services	(18,634.50)
08/17/2021	Risk Services, LLC	Captive Management Fees & Expenses	(341.50)
08/17/2021	People's United Bank	Bank Fees	(5.00)
09/01/2021	North American Specialty Ins. Co.	Return of Collateral	91,000.00
09/10/2021	Rackemann Sawyer & Brewster	Professional Services	(12,730.45)
09/10/2021	Johnson Lambert	Tax Return Preparation	(1,400.00)
09/16/2021	People's United Bank	Bank Fees	(5.00)
09/21/2021	Risk Services, LLC	Captive Management Fees & Expenses	(102.70)
10/07/2021	Rackemann Sawyer & Brewster	Professional Services	(15,292.16)
10/18/2021	People's United Bank	Bank Fees	(5.00)
11/03/2021	Risk Services, LLC	Captive Management Fees & Expenses	(25.00)

<b>Date</b>	<b>Payee/Payor</b>	<b>Description</b>	<b>Amount</b>
11/05/2021	Rackemann Sawyer & Brewster	Professional Services	(7,627.00)
11/12/2021	Risk Services, LLC	Captive Management Fees & Expenses	(170.20)
11/16/2021	People's United Bank	Bank Fees	(5.00)
12/09/2021	Rackemann Sawyer & Brewster	Professional Services	(13,877.27)
12/16/2021	People's United Bank	Bank Fees	(5.00)
			<hr/>
			Receipts \$ 135,521.65
			Disbursements (158,088.47)
			<hr/>
			2021 Net Cash Flow \$ (22,566.82)

**2022**

01/13/2022	Risk Services, LLC	Captive Management Fees & Expenses	(24.20)
01/14/2022	Rackemann Sawyer & Brewster	Professional Services	(10,690.06)
01/19/2022	People's United Bank	Bank Fees	(5.00)
02/12/2022	Verrill Dana, LLP	Professional Services	(4,786.50)
02/16/2022	People's United Bank	Bank Fees	(5.00)
03/11/2022	Risk Services, LLC	Captive Management Fees & Expenses	(8.50)
03/16/2022	Verrill Dana, LLP	Professional Services	(21,444.00)
03/16/2022	People's Bank	Bank Fees	(5.00)
04/18/2022	People's Bank	Bank Fees	(5.00)
04/19/2022	Enstar - Fletcher	Reinsurance Recovery	3,150,913.50
04/28/2022	Risk Services, LLC	Captive Management Fees & Expenses	(190.30)
05/03/2022	Johnson Lambert	Tax Return Preparation	(1,470.00)
05/06/2022	Verrill Dana, LLP	Professional Services	(29,540.50)
05/09/2022	Verrill Dana, LLP	Professional Services	(10,867.00)
05/17/2022	People's Bank	Bank Fees	(5.00)
05/31/2022	Risk Services, LLC	Captive Management Fees & Expenses	(336.50)
06/06/2022	Verrill Dana, LLP	Professional Services	(12,536.50)
06/16/2022	People's Bank	Bank Fees	(5.00)
06/20/2022	Johnson Lambert	Tax Return Preparation	(1,470.00)
07/18/2022	People's Bank	Bank Fees	(5.00)
07/19/2022	Verrill Dana, LLP	Professional Services	(13,060.00)
07/25/2022	Risk Services, LLC	Captive Management Fees & Expenses	(8,781.80)
08/09/2022	Verrill Dana, LLP	Professional Services	(4,848.00)
08/16/2022	People's Bank	Bank Fees	(5.00)
08/24/2022	Risk Services, LLC	Captive Management Fees & Expenses	(660.50)
09/20/2022	Johnson Lambert	Tax Return Preparation	(1,470.00)
09/22/2022	Verrill Dana, LLP	Professional Services	(5,727.00)
09/28/2022	Enstar - Fletcher	Reinsurance Recovery	1,076,787.49
10/06/2022	Risk Services, LLC	Captive Management Fees & Expenses	(33.00)
10/12/2022	Verrill Dana, LLP	Professional Services	(10,999.50)
10/25/2022	Risk Services, LLC	Captive Management Fees & Expenses	(33.00)
11/08/2022	Verrill Dana, LLP	Professional Services	(25,569.00)

<b>Date</b>	<b>Payee/Payor</b>	<b>Description</b>	<b>Amount</b>
12/08/2022	M&T Bank	Bank Fees	(2.00)
12/12/2022	Verrill Dana, LLP	Professional Services	(24,364.00)
		Receipts	\$4,227,700.99
		Disbursements	188,951.86
		2022 Net Cash Flow	\$4,038,749.13
<b><u>2023</u></b>			
01/10/2023	M&T Bank	Bank Fees	\$ (2.00)
01/18/2023	Verrill Dana, LLP	Professional Services	(20,081.50)
02/08/2023	M&T Bank	Bank Fees	\$ (2.00)
02/21/2023	Verrill Dana, LLP	Professional Services	(14,118.00)
03/08/2023	M&T Bank	Bank Fees	(2.00)
03/16/2023	Verrill Dana, LLP	Professional Services	(6,331.00)
03/21/2023	Johnson Lambert	Tax Return Preparation	(1,600.00)
04/04/2023	Risk Services, LLC	Captive Management Fees & Expenses	(212.50)
04/10/2023	M&T Bank	Bank Fees	(2.00)
04/18/2023	Verrill Dana, LLP	Professional Services	(23,459.00)
		Receipts	\$ 0.00
		Disbursements	65,810.00
		2023 Net Cash Flow (through 4/30/23)	\$ (65,810.00)

**Subsequent Activity** – Since April 30, 2023, the ETRRG estate has received \$771,624.77 in reinsurance recoveries and paid administrative expenses of \$20,896.00.

**EXHIBIT B****Liquidator's Fifth Report of Claims for ETRRG**

June 7, 2023

**Claims Recommended for Allowance in Priority Class 1**

<u>POC No.</u>	<u>Claimant Name</u>	<u>Claimant Address</u>	<u>Priority</u>	<u>Amount</u>
None in Fifth Report of Claims				
Allowed in First, Second, Third, and Fourth Reports of Claims				\$ 9,204.06

**Claims Recommended for Allowance in Priority Class 3**

<u>POC No.</u>	<u>Claimant Name</u>	<u>Claimant Address</u>	<u>Priority</u>	<u>Amount</u>
28	Geico General Insurance Company	750 Woodbury Rd., Woodbury, NY 11797	3	\$ 14,385.38
31	Ruth Hoy	486 Tunnel Rd., Auburn, PA 17922	3	500,000.00
38	Joel A. Solomon	3150 Broadway, New York, NY 10027	3	50,000.00
239	Fox Transportation	135 Tide Rd., Tamaqua, PA 18252	3	99,955.00
242	Fox Transportation	135 Tide Rd., Tamaqua, PA 18252	3	195.00
243	Fox Transportation	135 Tide Rd., Tamaqua, PA 18252	3	450.00
245	Fox Transportation	135 Tide Rd., Tamaqua, PA 18252	3	105.00
366	Calex Express, Inc.	58 Pittston Ave., Pittston, PA 18640	3	98,295.06
381	Paul Miller Trucking, Inc.	451 Freight St., P.O. Box 3535, Camp Hill, PA 17011	3	9,666.04
382	Paul Miller Trucking, Inc.	451 Freight St., P.O. Box 3535, Camp Hill, PA 17011	3	146,298.68
Recommended for Allowance in Fifth Report of Claims				\$ 919,350.16
Allowed in First, Second, Third, and Fourth Reports of Claims				11,645,229.39
Total if Fifth Report of Claims is Allowed				\$ 12,565,079.55

**Claims Recommended for Allowance in Priority Class 6**

<u>POC No.</u>	<u>Claimant Name</u>	<u>Claimant Address</u>	<u>Priority</u>	<u>Amount</u>
77	Steven W. Rickard and Associates,	173 Hammocks Landing Drive, Ponte Vedro, FL 32081	6	\$ 2,802.65
97	Carson LLP	301 W. Jefferson Blvd., Suite 200, Fort Wayne, IN 46802	6	1,054.50
Recommended for Allowance in Fifth Report of Claims				\$ 3,857.15
Allowed in First, Second, Third, and Fourth Reports of Claims				222,105.76
Total if Fifth Report of Claims is Allowed				\$ 225,962.91

**Claims Recommended for Allowance in Priority Class 9**

None in Fifth Report of Claims

Allowed in First, Second, Third, and Fourth Reports of Claims \$ 400,000.00

**Claims Recommended for Allowance in Priority Class 10**

None in Fifth Report of Claims

**Claims Denied or Withdrawn**

<b>POC No.</b>	<b>Claimant Name</b>	<b>Claimant Address</b>	<b>Priority</b>	<b>Amount</b>
11	Werner Enterprises, Inc.	14507 Frontier Rd., Omaha, NE 66138	n/a	n/a
21	TRANSX LTD c/o Audrey Hilton	2595 Inkster Blvd., Winnipeg, MB Canada R2R 2W2	n/a	n/a
27	Geico General Insurance Company	750 Woodbury Rd., Woodbury, NY 11797	n/a	n/a
29	Geico General Insurance Company	750 Woodbury Rd., Woodbury, NY 11797	n/a	n/a
30	Geico General Insurance Company	750 Woodbury Rd., Woodbury, NY 11797	n/a	n/a
82	ACME Smoked Fish Corp.	P.O. Box 2934, Clinton, IA 52733	n/a	n/a
83	PA Fire Recovery Service, LLC	7260 Periwinkle Dr., Macungie, PA 18062	n/a	n/a
241	Fox Transportation	135 Tide Rd., Tamaqua, PA 18252	n/a	n/a
279	Frock Bros. Trucking	P.O. Box 157, New Oxford, PA 17350	n/a	n/a
280	Frock Bros. Trucking	P.O. Box 157, New Oxford, PA 17350	n/a	n/a
281	Frock Bros. Trucking	P.O. Box 157, New Oxford, PA 17350	n/a	n/a
282	Frock Bros. Trucking	P.O. Box 157, New Oxford, PA 17350	n/a	n/a
283	Frock Bros. Trucking	P.O. Box 157, New Oxford, PA 17350	n/a	n/a
284	Frock Bros. Trucking	P.O. Box 157, New Oxford, PA 17350	n/a	n/a