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7 IN THE SECOND JUDICIAL DISTRICT COURT OF
THE STATE OF NEVADA IN AND FOR THE COUNTY OF WASHOE

8 STATE OF NEVADA, EX REL.
9 COMMISSIONER OF INSURANCE, IN
HER OFFICAL CAPACITY AS
10 STATUTORY RECEIVER FOR
DELINQUENT DOMESTIC INSURER,

11 Petitioner,

12 vs.

13 PHYSICIANS INDEMNITY RISK
14 RETENTION GROUP, INC., a Nevada
Domiciled Association Captive Insurance
15 Company,

16 Respondent.

Case No. CV20-00496

Dept. No. 1

17 **SECOND STATUS REPORT**

18 COME NOW, Barbara D. Richardson, Commissioner of Insurance (the
19 “Commissioner”) for the State of Nevada in her capacity as Temporary Receiver of
20 Physicians Indemnity Risk Retention Group, Inc., (“PIRRG” or the “Company”), and
21 Regulatory Services Group (“RSG”), the Special Deputy Receiver of PIRRG, and file this
22 Fifth Status Report in the above-captioned receivership.

23 **I. INTRODUCTION AND HISTORICAL BACKGROUND**

24 PIRRG is an incorporated association formed as a captive insurance company
25 organized under the insurance laws of the State of Nevada and the Liability Risk Retention
26 Act of 1986. In accordance with Chapter 694C of the Nevada revised statues (NRS) PIRRG
27 operates as a risk retention group as that term is defined by NRS 694C.141. PIRRG is
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1 domiciled in the State of Nevada and received its initial Certificate of Authority on July 28,
2 2006. PIRRG received an amended Certificate of Authority on February 8, 2018 thereby
3 updating its statutory home office to Reno, Nevada. As a risk retention group, PIRRG
4 wrote professional liability insurance to physicians and their medical groups under claims-
5 made indemnity policies.

6 PIRRG's December 31, 2018 audited financial statement and RBC Report, both
7 filed on April 1, 2019 in accordance with NRS 680A.270 and NRS681B.550, reported the
8 risk retention group's RBC had dropped to 185.6% thereby casting genuine doubt upon the
9 independent auditor's assessment that PIRRG would be able to continue operating as a
10 going concern. On July 22, 2019 the Commissioner determined PIRRG was operating in a
11 hazardous financial condition and notified PIRRG of the regulatory impairment.
12 After the submission of three proposed Corrective Action Plans submitted by PIRRG
13 between May and September of 2019, all of which were reviewed by the Nevada Division
14 of Insurance and thereafter deemed insufficient to address and resolve the RBC and
15 financial impairment of the risk retention group to the satisfaction of the Commissioner
16 and her regulatory staff. On November 19, 2019, the Commissioner issued a Notice of
17 Rejection of Third Corrective Action Plan and Confidential Order Imposing Corrective
18 Action ("Corrective Order").

19 The Corrective Order required PIRRG to fulfill certain requirements that adequately
20 address the RBC issue. Specifically the Corrective Order included, but was not limited to,
21 the infusion of \$800,000 of new capital and surplus within 30 days of the date of the
22 Corrective Order or December 19, 2019. A further requirement was that PIRRG's
23 December 31, 2019 RBC ratio be in excess of 300%. PIRRG did not fulfill either of these
24 requirements of the Corrective Order within the required timeframe.

25 On January 31, 2020 PIRRG's captive manager reported a negative surplus for the
26 risk retention group as of December 31, 2019. On March 2, 2020, PIRRG failed to submit
27 to the Commissioner a required report of its financial condition pursuant to NRS 694C.400.
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1 On March 6, 2020 PIRRG submitted an unsigned financial report indicating it was
2 insolvent pursuant to NRS696B.110.

3 The foregoing facts associated with PIRRG’s financial impairment constituted
4 sufficient grounds for a formal delinquency proceeding pursuant to NRS 696B.210 and NRS
5 696B.220.

6 On March 12, 2020, the Commissioner petitioned this Court pursuant to NRS
7 696B.250 to seek her appointment as Receiver of PIRRG for the purpose of its
8 rehabilitation, conservation or liquidation, and to grant permanent injunction and other
9 relief authorized by Chapter 696B of the NRS and other applicable law in order to protect
10 PIRRG’s policyholders, creditors and the public from the dangers and risks inherent to the
11 delinquency of this entity.

12 On March 19, 2020 this Court granted injunctive relief and appointed the
13 Commissioner as Temporary Receiver and issued an order, pursuant to NRS 696B.250(2)
14 and further directing PIRRG to appear in court on March 31, 2020 and show cause why the
15 Commissioner's petition should not be granted. On March 26, 2020 PIRRG filed a
16 peremptory challenge and the case was reassigned to Department 1, thereafter on April 7,
17 2020, after consulting with both parties, this court rescheduled the hearing to Show Cause
18 from March 31, 2020 to May 27, 2020. The PIRRG estate and its creditors cannot endure
19 the ongoing delay to address the permanent nature of the receivership. The impaired risk
20 retention group has now been subject to over a year’s delay to accommodate endless
21 production demands that appear to be designed to ensure the receivership proceeding fails.

22 On April 2, 2020 the Nevada Insurance Commissioner in her court-appointed
23 capacity as Temporary Receiver of PIRRG retained the services of Regulatory Services
24 Group to act as the Special Deputy Receiver for PIRRG. Regulatory Services Group (“RSG”
25 or “Special Deputy”) acting as the Special Deputy Receiver is vested with all the rights,
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1 duties and authority of the Temporary Receiver, subject to the supervision of the Nevada
2 Insurance Commissioner as Temporary Receiver and of the Court.

4 II. RECEIVERSHIP ADMINISTRATION

5 A. Notices of Receivership and Notification of Interested Parties

6 The Special Deputy Receiver prepared and mailed notices of the receivership order
7 and formal appointments to all known PIRRG principals, PIRRG's captive manager as well
8 as their counsel (including various defense counsel) as well as any interested parties of the
9 receivership. The notice contained contact information for questions and where to find
10 copies of the receivership orders. Additionally, the Regulatory Services Group website has
11 been updated with the notice and links to view and obtain copies of the permanent
12 receivership order.

13 The Special Deputy Receiver also provided a certified copy of the temporary
14 receivership order on the Company's depository and treasury banking partners Well Fargo
15 Bank and Merrill Lynch respectively. The Special Deputy Receiver has signed the proper
16 signatory documents prepared by Wells Fargo Bank and Merrill Lynch to take control of
17 all of PIRRG's know bank and investment accounts.

18 Counsel for the Special Deputy Receiver served notice of the receivership and copies
19 of the temporary receivership order to PIRRG's agent of service as well as counsel for the
20 risk retention group.

21 As reported in prior status filings, the Special Deputy Receiver has received access
22 to various records and documents associated with PIRRG that are in the possession and
23 custody of the risk retention group's captive manager Strategic Risk Solutions ("SRS") as
24 well as the home office in Wesley Chapel, Florida. The Special Deputy Receiver also
25 understands a number of claim and legal files are in the custody of the risk retention
26 group's CEO Steve Adler and or the entity Melsar Risk Management Services, Inc.
27 ("Melsar"). Due to the ongoing continuance of the pending show cause hearing, the Special
28 Deputy Receiver has not taken physical possession and or relocated/consolidated all of

1 PIRRG's books and records, but has confidence all records are securely stored with the
2 various parties described above.

3 **B. PIRRG Policies**

4 As of March 31, 2021 all but approximately 11 PIRRG policies (all involving tail
5 coverage risk) had been transferred to new insurers. The majority of PIRRG members had
6 their policies transferred via formal agreement to ISMIE in 2020, a well-capitalized Illinois
7 professional liability carrier that insures a significant share of the professional liability
8 market in Illinois. ISMIE is an admitted carrier in Florida.

9 The Special Deputy Receiver retained and worked through the local PIRRG staff to
10 ensure all policies being accepted by ISMIE were on terms and conditions consistent with
11 their existing PIRRG coverage. By the 3rd quarter of 2020 all policies scheduled to be
12 transferred to ISMIE had been transferred. The few remaining tail policies will be
13 ultimately cancelled, to the extent they have not already lapsed on term, upon the
14 placement of PIRRG into permanent receivership. To help preserve the limited assets of
15 PIRRG the Special Deputy Receiver has placed a moratorium on various policy
16 administration and claim expenses and will address those obligations in conjunction with
17 the placement of the impaired risk retention group into permanent receivership.

18 **C. Policyholder Related Claims**

19 As of March 31, 2021 PIRRG reported \$2,277,506 in estimated policy liability with
20 32 cases under some form of litigation or pre-litigation status. Notice of the PIRRG
21 temporary receivership injunction has been provided to all active defense counsel for
22 PIRRG. The Special Deputy Receiver has sought to gain a stay in all active proceedings
23 against PIRRG insureds pending further orders from this court, but as significant time
24 continues to pass courts are becoming increasingly more impatient to allow the local stay
25 to remain without some indication of the timing of a final ruling in the receivership case.
26 PIRRG's open claims are not covered by any insurance guaranty statutes but the reciprocal
27 has a reinsurance program in place that may serve to pay a portion of any claims exposure
28 or other claim-related obligations. The Special Deputy Receiver has reviewed and actively

1 monitors the open claims and legal cases. Ultimately, the Special Deputy Receiver is
2 prepared to commence a proof of claim process in accordance with Nevada's distribution
3 priority statutes thereby seeking to determine and pay approved claims on an equitable
4 basis subject to the limitations on available PIRRG assets.

5 **D. Records and Assets Control**

6 The Special Deputy Receiver has control of most of PIRRG's books and records, both
7 tangible and electronic. The majority of PIRRG's records are maintained in electronic
8 format at the risk retention group's home office in Wesley Chapel, Florida and also with
9 PIRRG's captive manager Strategic Risk Solutions at their offices in Arizona. It is the
10 understanding of the Special Deputy Receiver that most all claim and claim related
11 hardcopy files as well as electronic files are in the custody and possession of Steve Adler
12 PIRRG's CEO and or at the offices of Melsar Risk Management Services ("Melsar"). In
13 addition to the legal files held by Mr. Adler and Melsar there are various case files in the
14 respective offices of defense counsel representing PIRRG insureds. It is also the
15 understanding of the Special Deputy Receiver that various legal files associated with the
16 pending reinsurance arbitrations and the alleged case against AON are all in the custody
17 of Levery and Associates in Reno, Nevada. The Special Deputy has yet to receive any of
18 these files from the law firm despite repeated formal requests. As a result of PIRRG
19 records being held by parties in various locations and states, coupled with current civil
20 restrictions and court continuances, the Special Deputy Receiver will complete a final
21 consolidation of all known records upon further ruling from this court, specifically in
22 obtaining the claims and claims handling records and consolidation of all the corporate
23 records.

24 In addition to records control, the Special Deputy Receiver has taken control of
25 PIRRG's bank and treasury accounts. All known bank accounts and treasury accounts
26 are now in the control of the Special Deputy Receiver.

1 **E. Financial Analysis and Receivership Expenses**

2 As of March 31, 2021 PIRRG's liabilities exceed its assets by \$2,692,721. PIRRG has
3 current assets of \$1.1 million and current liabilities of \$2.8?? million. Based on the PIRRG's
4 current financial condition, it is insolvent within the meaning of NRS696.110(1).
5 Specifically, PIRRG's current assets are comprised of \$25,786 in cash or cash equivalents
6 in their Wells Fargo operating account at March 31, 2021. In addition to cash at Wells
7 Fargo, PIRRG held \$1,074,876 in treasury investments for total cash and invested assets
8 of \$1,100,663 as of March 31, 2021. Additionally, for the period ending March 31, 2021
9 PIRRG reported a reinsurance asset of approximately \$3,426,605 due from the risk
10 retention group's reinsurance partners in the London Markets. This estimated recovery
11 has not been verified by the Special Deputy Receiver and is subject to formal dispute. Based
12 on the impaired financial condition of PIRRG and the uncertainty associated with the
13 potential recoveries under the reinsurance program, time is of the essence to advance the
14 current temporary receivership proceeding to a permanent receivership and allow the run-
15 off to be completed. The Special Deputy Receiver is in the process of updating the billings
16 to the London Market through December 31, 2020 and will continue to seek clarification
17 from the reinsurers regarding an expected timeframe for payment of amounts currently
18 due. As reported in prior status filings, the Special Deputy Receiver has made initial
19 contact with counsel representing the London Market reinsurers and, subject to further
20 orders of this court, is prepared to seek resolution of the pending billing dispute as well as
21 evaluate the terms of the idle arbitration proceedings and any settlement parameters. A
22 copy of PIRRG's March 31, 2021 financial statements are attached as Exhibit 1.

23 In addition to the current March 31st financial disclosure above, the Special Deputy
24 Receiver is also submitting the December 31, 2020 annual statement for PIRRG in
25 compliance with NRS 696B.332. ("Annual Financial Report Pursuant to NRS 696B.332")
26 On February 24, 2021 the Special Deputy Receiver filed a pleading titled Temporary
27 Receiver's Reply in Support of Motion for Order of Liquidation and other permanent relief
28 ("Temporary Receiver's Reply"). See Exhibit 2 (Exhibit 4 to Temporary Receiver's 2/24/21

1 Reply) filed with the court is a cash flow schedule reflecting all collections and approved
2 expense payment from inception of the temporary receivership through September 30,
3 2020.

4 From October 1, 2020 through March 31, 2021 the Special Deputy Receiver incurred
5 \$195,349 in estate administrative expenses maintaining the essential elements of the
6 remaining entity and to stay compliant with the orders of this court over the last six
7 months. The Special Deputy Receiver continues to work through the remaining PIRRG
8 staff in Florida to address all invoices and ensure proper controls over weekly payables. To
9 maintain the core elements of the risk retention group a small population of vendors and
10 services have been retained through the interim period awaiting further orders of the court.
11 Each month the basic costs to support the small Florida home office and retained PIRRG
12 staff together with the fees of the captive manager, tax preparer and Special Deputy
13 average approximately \$55,000 a month. PIRRG's retained staff, rent/services, captive
14 manager represent 95% of the interim monthly holding costs while awaiting further orders
15 of the court. The Special Deputy Receiver has accounted for all invoices approved and paid
16 on behalf of PIRRG, a copy of expenses paid during the period October 1, 2020 through
17 March 31, 2021 is attached as Exhibit 3.

18 **F. Ongoing Priorities**

19 Upon the placement of a permanent receivership order, the Special Deputy Receiver
20 will focus on the resolution of the key reinsurance disputes and collections, as well as
21 evaluate the strength and requirements associated with litigation being asserted by
22 Leverty and Associates against AON related to the placement of certain reinsurance
23 treaties.

24 The Special Deputy Receiver, in coordination with SRS and the PIRRG home office
25 staff, continues to process the weekly payroll and essential vendor expenses. All non-
26 essential expenses have been suspended subject to further order of this court. As
27 mentioned above, PIRRG insureds do not enjoy the "safety net" coverage benefits of an
28 insurance guaranty association as such the Special Deputy Receiver must balance ongoing

1 expenses and potential recoveries against the prospect of PIRRG's current impaired
2 financial condition. This balancing effort is proving to be a significant challenge due to
3 continuing delays associated with the pending show cause hearing to consider a permanent
4 receivership and liquidation.

5 **CONCLUSION**

6 In compliance with NRS 696B.290(7), the Special Deputy Receiver submits the
7 aforementioned report and respectfully requests that this Court approve this status report
8 and the actions of the Receiver and Receivership Manager.

9 DATED: May 19, 2021.

10 Respectfully submitted:

11 Barbara D. Richardson, Commissioner of Insurance
12 of the State of Nevada, in her Official Capacity as
13 Statutory Receiver of Delinquent Domestic Insurers

14 By: /s/ Scott Pearce
15 Scott Pearce
16 Regulatory Services Group
Receivership Supervisor

17 Respectfully submitted by:

18 AARON D. FORD
19 Attorney General

20 By: /s/ Joanna N. Grigoriev
21 Joanna N. Grigoriev
22 Senior Deputy Attorney General
Attorneys for the Commissioner of Insurance as Receiver

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AFFIRMATION
(Pursuant to NRS 239B.030)

The undersigned does hereby affirm that the preceding document does not contain the social security number of any person.

DATED: May 19, 2021.

AARON D. FORD
Attorney General

By: /s/ Joanna N. Grigoriev
JOANNA N. GRIGORIEV (Bar. No. 5649)
Senior Deputy Attorney General
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As Receiver

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CERTIFICATE OF SERVICE

I certify that I am an employee of the Office of the Attorney General, State of Nevada, and that on May 19, 2021; I filed the foregoing document via this Court's electronic filing system. Parties are registered with this Court's EFS and will be served electronically.

Vernon E. ("Gene") Leverty
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/s/ Marilyn Millam
An employee of the
Office of the Nevada Attorney General

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EXHIBIT 1

EXHIBIT 1 (Q1 FINANCIAL STATEMENTS)

**Physicians Indemnity Risk Retention Group, Inc.
Financial Statements
March 31, 2021**

On March 19, 2020 the Company came under a Temporary Receivership Order and therefore the Receiver has been included in the distribution of these financials. The Receiver has recommended that Management distribute these financials to the full Board.

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Physicians Indemnity Risk Retention Group, Inc.
Financial Statements
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Physicians Indemnity Risk Retention Group, Inc.
 Unaudited GAAP Financial Statements
 March 31, 2021
 Executive Summary

1. *These financial statements have been prepared based on generally accepted accounting principles (GAAP) as allowed by the Nevada Division of Insurance with the exception of the Schedule F penalty and netting of reserves. These financial statements assume the Company will continue as a going concern. However, the Company was placed into temporary receivership effective March 19, 2020 because its liabilities exceed its assets. A hearing was set for May 27th to determine the next steps, however, that hearing has been postponed. There is substantial doubt about the Company's ability to continue as a going concern and the reader is cautioned that the majority of items listed under Deferred Policy Acquisition Costs (\$5,642) and Other Assets (\$24,676) represent prepaid expenses that might not be available to pay claims in the event that the Company is declared insolvent. The Temporary Receiver has received an August 6, 2021 hearing date for the Show-Cause hearing to address the permanent status of the receivership.*

2. On August 8, 2019 the Company filed a lawsuit against AON Insurance Management ("AIM"), and AON Risk Services of Florida ("ARS") in Washoe County, Nevada (CV 19-01563) alleging various causes of action ranging from simple misrepresentation claims to intentional misrepresentation and fraud. The Company's lawsuit asserts that the AON entities, acting in the capacities of reinsurance broker (ARS) and reinsurance intermediary (AIM), placed "illusory" reinsurance treaties with the Company that did not provide for a true risk transfer for the years 2011 through 2017.

The merits of the case and its various causes of action have not been fully briefed and the likelihood of a favorable ruling and timely payment of claimed damages remains uncertain and therefore is not included in the assets as presented in these financial statements.

3. *The Company's 2020 Risk Based Capital (RBC) report provided perspective as to why the Company came under temporary receivership. While the financials are prepared based on GAAP, the RBC, calculated by statutory accounting is relied upon by the regulators to oversee RRGs. The results indicate put the Company in a Mandatory Control level which is defined as at or below 70% of the Authorized Control Level.*

	<u>Minimum</u>	<u>Maximum</u>	<u>Company Value</u>	<u>Report pages</u>
2019 Total Adjusted Capital	1,236,212	Unlimited	(98,164)	PR033, line 2, PR 034, line 2
2019 Combined Ratio	Zero	120.0%	237.7%	PR033, line 14
2019 RBC %	200%	Unlimited	-15.8%	PR033, line 3

The Company's 2020 Risk Based Capital (RBC) results are as follows:

	<u>Minimum</u>	<u>Maximum</u>	<u>Company Value</u>	<u>Report pages</u>
2020 Total Adjusted Capital	422,594	Unlimited	(2,532,444)	PR033, line 2, PR 034, line 2
2020 Combined Ratio	Zero	120.0%	-226.7%	PR033, line 14
2020 RBC %	200%	Unlimited	-1198.5%	PR033, line 3

4. **Cash and Invested Assets**

Wells Fargo - Premium, Loss, Operating	\$ 25,786
Merrill Lynch	\$ 1
PIRRG Pool balance RSG	\$ 1,074,876
Total cash and invested assets	\$ 1,100,663

5. **Financial Results**

	<u>3/31/2021</u>	<u>12/31/2020</u>
Year To Date Net Income/(Loss)	<u>(160,217)</u>	<u>(2,145,837)</u>
Shareholders' Equity / (Deficit)	<u>(2,692,721)</u>	<u>(2,532,505)</u>

Executive Summary Continued on Next Page

Physicians Indemnity Risk Retention Group, Inc.
Unaudited GAAP Financial Statements
March 31, 2021
Executive Summary Continued

6. Accounting Processes Applied:

Underwriting balances related to reinsurance contracts with the London Markets are derived using Aon's interpretation of the

a. reinsurance contracts. This method affects the loss ratio which, based on claims settled year-to-date materially reduced the net incurred loss ratio.

The current year-to-date loss ratio is not comparable to Q2 2020 of 30% since premiums earned are negative due to policy cancellations. Note that an updated loss reserve analysis has not been prepared by an actuary for 2020. The accounting

b. method applied is consistent to the method used on the prior quarterly filings this year. See further analysis on the following page.

c. There is a 100% allowance for the subsidiary receivable to account for erosion of the bank account balances from bank fees in the accounts opened by the Agency when the funds were loaned in 2019.

d. The following balance sheet items require an annual calculation that has not changed since December 31, 2019:

- Component of unearned Premium for DDR of \$281,588

e. The following balance sheet items require an annual calculation and have been updated for year-end 2020:

- Provisional reinsurance premium payable of \$287,907

- Contingent reinsurance premium payable of \$1,623,965

- Accumulated provision for reinsurance - schedule F penalty charge to Shareholders Equity of \$912,000

Accrued legal fees and expenses submitted to the PIRRG estate after the entry of the March 19, 2020 Temporary

f. Receivership Order are being reported as expenses on the income statement. The work and associated costs incurred and billed have not been authorized by the Special Deputy Receiver. All unauthorized amounts submitted and reported will be evaluated for proper treatment in accordance with applicable law.

On the balance sheet, the Company is reporting a policy cancellation liability of \$1,041,670 and premiums receivable of

g. \$511,559. Since almost all of the policies have been cancelled, further analysis is required to determine how much of the premiums receivable can offset the policy cancellation liability.

h. These financials are presented on a pre-tax basis.

i. There is additional surplus note interest payable of \$40,007 which is not on the balance sheet due to the Nevada DOI having previously denied the request to pay interest in 2020.

j. The ISMIE Quota Share reinsurance contract was not extended past 3/31/20 and is therefore in run-off.

**Physicians Indemnity Risk Retention Group, Inc.
Loss Ratio Summary**

Direct Basis - Gross

Accident year	2019 Actuarial Ultimate	Earned Premium	2019 Accident year Loss Ratio	2021 Loss Incurred	Amount in excess of 2019 Ultimate	Earned Premium	2021 Accident Year Loss Ratio
2006	0	618	0%	-	0	618	0%
2007	105,538	852,044	12%	105,538	0	852,044	12%
2008	2,359,539	3,324,493	71%	2,359,539	0	3,324,493	71%
2009	3,248,808	4,476,496	73%	3,248,808	0	4,476,496	73%
2010	4,056,220	4,301,241	94%	4,056,220	0	4,301,241	94%
2011	2,604,449	3,561,319	73%	2,604,449	0	3,561,319	73%
2012	780,106	2,731,247	29%	780,106	0	2,731,247	29%
2013	2,771,333	2,815,883	98%	2,771,333	0	2,815,881	98%
2014	1,465,109	2,558,149	57%	1,465,109	0	2,558,149	57%
2015	2,302,986	2,486,411	93%	2,145,000	0	2,486,411	86%
2016	652,864	2,586,886	25%	652,864	0	2,586,886	25%
2017	1,775,000	2,613,894	68%	1,807,604	32,604	2,613,895	69%
2018	1,675,000	2,571,968	65%	1,774,830	99,830	2,571,968	69%

Reinsurance Ceded Basis

2006	0	0	0%	-	0	-	0%
2007	0	139,431	0%	-	0	139,431	0%
2008	1,393,737	997,348	140%	1,393,737	0	997,348	140%
2009	1,670,446	932,352	179%	1,670,446	(0)	932,352	179%
2010	2,507,163	947,572	265%	2,507,163	0	947,572	265%
2011	1,188,115	421,984	282%	1,188,116	1	421,984	282%
2012	132,793	77,251	172%	132,793	(0)	77,251	172%
2013	1,485,529	135,423	1097%	1,485,529	(0)	135,423	1097%
2014	707,883	622,215	114%	707,883	(0)	622,215	114%
2015	994,986	549,370	181%	994,986	0	549,370	181%
2016	205,000	550,630	37%	205,000	0	550,630	37%
2017	800,000	550,000	145%	954,751	154,751	550,000	174%
2018	490,000	320,833	153%	572,132	82,132	320,833	178%
					236,883		

Net Basis

2006	0	618	0%	0	0	618	0%
2007	105,538	712,613	15%	105,538	0	712,613	15%
2008	965,803	2,327,145	42%	965,802	(0)	2,327,145	42%
2009	1,578,362	3,544,144	45%	1,578,362	0	3,544,144	45%
2010	1,549,057	3,353,669	46%	1,549,057	(0)	3,353,669	46%
2011	1,416,334	3,139,335	45%	1,416,333	(1)	3,139,335	45%
2012	647,313	2,653,996	24%	647,313	1	2,653,996	24%
2013	1,285,803	2,680,460	48%	1,285,804	1	2,680,458	48%
2014	757,226	1,935,934	39%	757,226	0	1,935,934	39%
2015	1,308,000	1,937,041	68%	1,150,014	0	1,937,041	59%
2016	447,864	2,036,256	22%	447,864	0	2,036,256	22%
2017	975,000	2,063,894	47%	852,853	(122,147)	2,063,895	41%
2018	1,185,000	2,251,135	53%	1,202,698	17,698	2,251,135	53%
					(104,449)		

Reconciliation of Fiscal year Loss Ratio

Fiscal year Net Loss Incurred	11,381
Net Earned Premiums	4,881
Fiscal Year Loss Ratio	233%
Net impact of 2017 direct incurred loss exceeding ultimate	32,604
Net impact of 2018 direct incurred loss exceeding ultimate	99,830
Net impact of 2017 ceded incurred loss exceeding ultimate	(154,751)
Net impact of 2018 ceded incurred loss exceeding ultimate	(82,132)
Fiscal year Gross Net Incurred without consideration for ultimate adjustment	115,830
Net Earned Premiums	4,881
Fiscal Year Loss Ratio without consideration for ultimate adjustment	2373%

Physicians Indemnity Risk Retention Group, Inc.
Balance Sheets

		Mar 31, 2021	Dec 31, 2020
		(Unaudited)	(Unaudited)
ASSETS			
Cash & Short-Term Investments	Note 1	\$ 1,100,663	\$ 1,243,058
Long-Term Invested Assets	Note 2	-	-
Investment Income Due & Accrued on RSG Pool Funds		19,748	-
Net Premiums Receivable - Direct Policies	Note 3	511,559	497,235
Reinsurance Receivable on Paid Loss and LAE		3,426,605	3,416,515
Reinsurance Recoverable on Loss Reserves	Notes 5 & 6	2,823,879	2,809,426
Deferred Policy Acquisition Costs		5,642	6,261
Other Assets	Note 4	24,676	55,508
Total Assets		\$ 7,912,709	\$ 8,027,940
LIABILITIES AND SHAREHOLDERS' EQUITY			
Liabilities			
Net Reserves for Loss and Loss Adjustment Expenses	Notes 5 & 6	\$ 2,277,506	\$ 2,317,550
Reinsurance Recoverable on Loss Reserves	Notes 5 & 6	2,823,879	2,809,426
Losses Payable		194,463	134,050
Net Reserve for Unearned Premium	Note 7	329,015	334,229
Policy Cancellation Liability		1,041,670	1,041,670
Net Ceded Reinsurance Premiums Payable	Note 8	2,242,157	2,241,891
Provision for Reinsurance (Schedule F) as of 12/31/2020		912,000	912,000
Accounts Payable Accrued Expenses	Note 9	784,740	769,630
Total Liabilities		10,605,430	10,560,444
Shareholders' Equity			
Common Stock			
Class A Common Stock @ \$2 par value		1,350,000	1,350,000
Class A Common Stock @ \$1 par value		312,000	312,000
Class B Common Stock @ \$1 par value		1,146,862	1,146,862
Additional Paid-In Capital		468,402	468,402
Surplus Notes		275,000	275,000
Accumulated Other Comprehensive (Loss) Gain		-	-
Accumulated Provision for Reinsurance (Schedule F)		(912,000)	(912,000)
Accumulated Deficit		(5,332,984)	(5,172,768)
Total Shareholders' Equity/(Deficit)		(2,692,721)	(2,532,505)
Total Liabilities and Shareholders' Equity		\$ 7,912,709	\$ 8,027,940

Physicians Indemnity Risk Retention Group, Inc.
Statements of Income

		Year To Date Mar 31, 2021 (Unaudited)	Year To Date Dec 31, 2020 (Unaudited)
UNDERWRITING INCOME			
Direct Premiums Earned	Note 10	\$ 5,214	\$ 1,141,982
Ceded Premiums Earned	Note 11	(333)	(1,470,029)
Estimated Policy Cancellations		-	(34,411)
Net Premiums Earned		4,881	(362,457)
UNDERWRITING EXPENSES			
Direct Losses Incurred	Note 12	(25,590)	744,674
Assumed Losses Incurred		-	41,479
Ceded Losses Incurred	Note 13	(21,113)	(481,742)
Net Losses Incurred		(46,703)	304,411
Net Loss Adjustment Expenses Incurred	Note 14	58,084	(38,069)
Underwriting Expenses Incurred	Note 15	87,432	411,297
Commission Income - ISMIE		(67)	(75,967)
Interest Expense Surplus Notes		-	(19,738)
Total Underwriting Expenses		98,746	581,934
Net Underwriting Income / (Loss)		(93,865)	(944,390)
Operating Expenses	Note 16	86,099	1,226,032
Net Investment Income/(Loss) on RSG Pool Funds	Note 17	19,748	7,415
Other Income/(Loss)	Note 18	-	17,170
Income / (Loss) Before Federal Tax		(160,217)	(2,145,837)
Net Tax Charge / (Recovery)		-	-
Net Income / (Loss)		\$ (160,217)	\$ (2,145,837)
<u>Net Financial Period Loss Ratio</u>		233%	-73%

Physicians Indemnity Risk Retention Group, Inc.
Notes to the Balance Sheets

	<u>Mar 31, 2021</u> <u>(Unaudited)</u>	<u>Dec 31, 2020</u> <u>(Unaudited)</u>
Note 1: Cash and Short-Term Investments		
Merrill Lynch - Brokerage Account Cash	1	1
PIRRG Pool balance RSG	1,074,876	1,174,876
Wells Fargo - Operating Account	25,786	68,181
Wells Fargo - Petty Cash	-	-
Wells Fargo - Outward Letter of Credit Collateral Account	-	-
Total Cash and Short-Term Investments	<u>1,100,663</u>	<u>1,243,058</u>
Note 2: Long-Term Invested Assets		
Merrill Lynch - Investments at Amortized Cost	-	-
Merrill Lynch - Unrealized Gain/(Loss) on Investments	-	-
Total Long-Term Invested Assets	<u>-</u>	<u>-</u>
Note 3: Policy Receivables - Direct Policies		
Policy Receivables - All years	511,559	497,235
Total Policy Receivables - Direct Policies	<u>511,559</u>	<u>497,235</u>
Note 4: Other Assets		
April 2021 Office Rent	1,654	3,201
3/26/20-3/26/21, Financial Institution Bond, Arthur J. Gallagher Risk Mgmt Svcs	-	689
6/1/20-21 E&O, D&O policy, Arthur J. Gallagher Risk Mgmt Svcs	16,221	40,553
Dr. Bob Cline - pre-paid stipend for April board meeting	2,000	2,000
Invoice 3352801 2/28/21-2/28/22 Property/GL policy, Arthur J. Gallagher RMS	1,062	193
Purchase of prepaid cards for future travel	2,800	2,800
Expenses on prepaid cards	(2,111)	(62)
Prepaid travel expenses - Kent Solutions	-	2,800
Reimb travel expenses for April hearing - Melsar Risk Management	1,550	1,550
Prepaid travel expenses - Melsar Risk Management	1,500	1,500
Moonlight Cleaning - Office Cleaning	-	80
Gross Receivable From Subsidiary	500	500
Allowance for Subsidiary	(500)	(336)
Total Other Assets	<u>24,676</u>	<u>55,508</u>

Physicians Indemnity Risk Retention Group, Inc.
Notes to the Balance Sheets

	<u>Mar 31, 2021</u> <u>(Unaudited)</u>	<u>Dec 31, 2020</u> <u>(Unaudited)</u>
Note 5: Net Loss Reserves		
<u>Gross and Assumed Loss Reserves</u>		
Gross Loss: Case	1,167,700	1,107,700
Assumed Loss: Case	-	-
Gross Loss: Incurred but Not Reported	<u>3,408,384</u>	<u>3,493,974</u>
Total Gross Loss Reserves	<u>4,576,084</u>	<u>4,601,674</u>
<u>Ceded Loss Reserves</u>		
Ceded Loss: Case	885,235	830,781
Ceded Loss: Incurred but Not Reported	<u>1,790,940</u>	<u>1,830,940</u>
Total Ceded Loss Reserves	<u>2,676,174</u>	<u>2,661,721</u>
Total Net Loss Reserves	1,899,909	1,939,953
 Note 6: Net Loss Adjustment Expense Reserves		
<u>Gross and Assumed Loss Adjustment Expense (LAE) Reserves</u>		
Gross LAE: Case	516,846	516,846
Assumed LAE: Case	8,456	8,456
Gross LAE: Incurred but Not Reported	<u>-</u>	<u>-</u>
Total Gross Loss Adjustment Expense Reserves	<u>525,301</u>	<u>525,301</u>
<u>Ceded Loss Adjustment Expense (LAE) Reserves</u>		
Ceded LAE: Case	147,705	147,705
Ceded LAE: Incurred but Not Reported	<u>-</u>	<u>-</u>
Total Ceded Loss Adjustment Expense Reserves	<u>147,705</u>	<u>147,705</u>
Total Net Loss Adjustment Expense Reserves	377,596	377,596
Notes 5 & 6: Net Loss and Loss Adjustment Expense Reserves *	2,277,506	2,317,549
Notes 5 & 7: Ceded Loss and Loss Adjustment Expense Reserves *	2,823,879	2,809,426
 * Notes 5 & 6 Loss Reserves are reported Gross for Audit purposes and Net for NAIC reporting purposes.		
 Note 7: Gross Reserve for Unearned Premium		
<u>Gross Reserve for Unearned Premium</u>		
Unearned Premium Reserves	47,760	52,973
Death, Disability & Retirement Reserves	<u>281,588</u>	<u>281,588</u>
Total Gross Reserve For Unearned Premium	<u>329,348</u>	<u>334,561</u>
Deferred Reinsurance Ceded - ISMIE Treaty	<u>333</u>	<u>333</u>
Deferred Reinsurance Ceded - ISMIE Treaty	<u>333</u>	<u>333</u>
Total Net Reserve for Unearned Premium	329,015	334,228

Physicians Indemnity Risk Retention Group, Inc.
Notes to the Balance Sheets

	<u>Mar 31, 2021</u> <u>(Unaudited)</u>	<u>Dec 31, 2020</u> <u>(Unaudited)</u>
Note 8: Ceded Reinsurance Premiums Payable		
Reinsurance Premium Payable - ISMIE Treaty	330,218	329,952
Unearned Commissions - ISMIE Treaty	67	67
Provisional Premium True-up Payable - London Treaty	287,907	287,907
Contingent Reinsurance Premium Payable - London Treaty	1,623,965	1,623,965
	<hr/>	<hr/>
Total Ceded Reinsurance Premiums Payable	<u>2,242,157</u>	<u>2,241,891</u>
 Note 9: Accounts Payable and Accrued Expenses		
Capital - Class B Refunds due to Shareholders	79,593	79,593
Muhul Patel - 25,000 A shares \$2 par original value	26,500	26,500
Interest Payable on Surplus Notes	-	-
Policy Acquisition Costs - Deferred Premium Tax on unearned premium	2,490	2,861
Policy Acquisition Costs - Premium Tax Payable on policies issued in 2020	(10,952) x	(10,952)
Commissions Payable	-	9,983
Captive management Fees	31,200 x	36,694
Audit Fees	207 x	207
Legal Fees	510,473 x	497,376
Actuarial Fees	-	-
NAIC Software	-	-
Office/Employee Benefits	- x	3,642
Appointed Receivorship Fees	145,230 x	123,726
	<hr/>	<hr/>
Total Accounts Payable and Accrued Expenses	<u>784,740</u>	<u>769,630</u>

Physicians Indemnity Risk Retention Group, Inc.
Notes to the Statements of Income

	Mar 31, 2021	Dec 31, 2020
	(Unaudited)	(Unaudited)
Note 10: Direct Premiums Earned		
Direct Premiums Written	-	(204,331)
Change in Direct Unearned Premium Reserve	5,214	1,346,314
Change in Death, Disability & Retirement Reserves	-	-
Total Direct Premiums Earned	5,214	1,141,982
Note 11: Ceded Premiums Earned		
<u>Ceded Premiums Written</u>		
Ceded Reinsurance Premium - ISMIE	(333)	221,406
Contingent and Provisional Premium - London Markets	-	(1,090,195)
Total Ceded Premium Written	(333)	(868,789)
<u>Change in Deferred Premium Reserve</u>		
Change in Deferred Reinsurance Premium - ISMIE	-	(601,239)
Total Change in Deferred Premium Reserve	-	(601,239)
Total Ceded Premiums Earned	(333)	(1,470,029)
Note 12: Direct Losses Incurred		
Direct Paid Losses	-	980,000
Change in Direct Case and IBNR Loss Reserves	(25,590)	(235,326)
Total Direct Losses Incurred	(25,590)	744,674
Note 13: Ceded Losses Incurred		
Ceded Paid Losses	(6,659)	(572,015)
Change in Ceded Case and IBNR Loss Reserves	(14,454)	90,274
Total Ceded Losses Incurred	(21,113)	(481,742)

Physicians Indemnity Risk Retention Group, Inc.
Notes to the Statements of Income

	<u>Mar 31, 2021</u> <u>(Unaudited)</u>	<u>Dec 31, 2020</u> <u>(Unaudited)</u>
Note 14: Net Loss Adjustment Expenses Incurred		
<u>Direct Loss Adjustments Expense (LAE) Incurred</u>		
Direct Paid LAE and Adjusting and Other	61,514	357,561
Change in Direct Case and IBNR LAE Reserves	<u>-</u>	<u>(121,000)</u>
Total Direct Loss Adjustments Expense Incurred	<u>61,514</u>	<u>236,561</u>
<u>Ceded Loss Adjustments Expense (LAE) Incurred</u>		
Ceded Paid LAE	(3,430)	(294,629)
Change in Ceded Case and IBNR LAE Reserves	<u>-</u>	<u>20,000</u>
Total Ceded Loss Adjustments Expense Incurred	<u>(3,430)</u>	<u>(274,629)</u>
Total Net Loss Adjustment Expenses Incurred	<u>58,084</u>	<u>(38,069)</u>
 Note 15: Underwriting Expenses Incurred		
Allowances to manager and agents	87,185	383,856
Commissions Expense	<u>247</u>	<u>27,441</u>
Total Underwriting Expenses Incurred	<u>87,432</u>	<u>411,297</u>
 Note 16: Operating Expenses		
Salaries	5,101	71,192
Payroll Taxes	427	5,194
Employee Benefits	(4,603)	7,513
Accounting and Professional Fees	25,021	78,840
Allowance-Subsidiary Rec'ble	164	336
Actuarial Fees	-	40,853
Audit Fees	-	1,424
Captive Management Fees	7,981	173,149
RSG Expenses	21,504	123,726
Bank Fees	2,870	28,107
Insurance - Employees	-	5,082
Insurance - Corporate	329	10,934
Legal Fees	13,097	633,987
License and Permits	940	3,447
Office Expenses	8,949	28,800
Software Expense	-	3,219
Depreciation	-	220
Travel and Meals	4,320	9,865
Miscellaneous	<u>-</u>	<u>144</u>
Total Operating Expenses	<u>86,099</u>	<u>1,226,032</u>

Physicians Indemnity Risk Retention Group, Inc.
Notes to the Statements of Income

	<u>Mar 31, 2021</u> <u>(Unaudited)</u>	<u>Dec 31, 2020</u> <u>(Unaudited)</u>
Note 17: Investment Income		
Interest Income	19,748	15,559
Investment (Accretion)/Amortization	-	(1,305)
Unrealized Gain/(Loss) on Equities	-	113
Realized Gain/(Loss) on Investments	-	(6,952)
Total Investment Income	<u>19,748</u>	<u>7,415</u>
Note 18: Other Income		
Service and Administrative Fees on Policies	-	14,134
Miscellaneous Income	-	3,036
Total Other Income	<u>-</u>	<u>17,170</u>

EXHIBIT 2

EXHIBIT 2 (CASH FLOW SCHEDULE)

EXHIBIT 4

EXHIBIT 4

Physicians Indemnity RRG
General Ledger
For the Period From Apr 1, 2020 to Sep 30, 2020

Filter Criteria includes: 1) IDs: 10000. Report order is by ID. Report is printed with shortened description

Physicians Indemnity Risk Retention Group
Cash Flow Statement for March 31, 2020 through September 30, 2020

March 31 2020 Cash and Cash Equivalents

\$ 1,742,088

						<u>Cash Receipts</u>	<u>Cash Disbursements</u>
10000	Checking Account - Operating	4/1/20	E0229	CDJ	Bright House Networks		100.00
10000	Checking Account - Operating	4/2/20	E0230	CDJ	Florida Blue FL Blue		757.87
10000	Checking Account - Operating	4/3/20	E0232	CDJ	Goldenrule Insurance		45.12
10000	Checking Account - Operating	4/3/20	Policy cash	GENJ	4/3/20 policy cash debit		1,241.45
10000	Checking Account - Operating	4/6/20	4/3/20 Payroll	GENJ	Payroll Cash		9,537.80
10000	Checking Account - Operating	4/6/20	E0233	CDJ	Ready Refresh		46.05
10000	Checking Account - Operating	4/7/20	E0234	CDJ	Paychex		121.70
10000	Checking Account - Operating	4/9/20	E0235	CDJ	Paychex		73.70
10000	Checking Account - Operating	4/10/20	4/10/20 Payroll	GENJ	Payroll Cash		9,723.84
10000	Checking Account - Operating	4/10/20	E0236	CDJ	Wells Fargo		2,453.53
10000	Checking Account - Operating	4/10/20	E0237	CDJ	Wells Fargo		386.98
10000	Checking Account - Operating	4/10/20	E0238	CDJ	Wells Fargo		35.00
10000	Checking Account - Operating	4/10/20	E0239	CDJ	Wells Fargo		18.76
10000	Checking Account - Operating	4/10/20	E0240	CDJ	Withlacoochee River Electric		78.95
10000	Checking Account - Operating	4/13/20	E0241	CDJ	Wells Fargo		940.31
10000	Checking Account - Operating	4/15/20	WC Ins prem cred	GENJ	Credit on 01/20/20-21, WC Polic	340.00	
10000	Checking Account - Operating	4/16/20	4/17/20 Payroll	GENJ	Payroll Cash		9,712.90
10000	Checking Account - Operating	4/16/20	6496	CDJ	Douglas H. Bohannon, LLD		1,600.50
10000	Checking Account - Operating	4/16/20	6497	CDJ	Metro Connect		150.88
10000	Checking Account - Operating	4/16/20	6498	CDJ	Moonlight Cleaning		80.25
10000	Checking Account - Operating	4/16/20	6499	CDJ	Accelerated Business Solutions		39.92
10000	Checking Account - Operating	4/16/20	6500	CDJ	Metro Tech, LLC		398.65
10000	Checking Account - Operating	4/17/20	E0243	CDJ	Paychex		61.70
10000	Checking Account - Operating	4/20/20	Payroll taxes	CRJ	Paychex	496.79	
10000	Checking Account - Operating	4/23/20	4/24/20 Payroll	GENJ	Payroll Cash		9,800.45
10000	Checking Account - Operating	4/24/20	E0244	CDJ	Paychex		61.70
10000	Checking Account - Operating	4/27/20	6501	CDJ	MetLife - Dept 0945		1,332.34
10000	Checking Account - Operating	4/27/20	6502	CDJ	Metro Tech, LLC		398.65
10000	Checking Account - Operating	4/27/20	6503	CDJ	Strategic Risk Solutions Inc.		10,000.00
10000	Checking Account - Operating	4/29/20	6505	CDJ	Richard Gains MD		1,073.47
10000	Checking Account - Operating	4/29/20	6506	CDJ	Accelerated Business Solutions		189.55
10000	Checking Account - Operating	4/30/20	Apr Echeck depos	GENJ	Apr Echeck collections	25,179.01	
10000	Checking Account - Operating	4/30/20	Apr CC Deposits	GENJ	Apr CC collections	35,063.77	
10000	Checking Account - Operating	4/30/20	Apr Lockbox depo	GENJ	Apr lockbox deposits	18,773.10	
10000	Checking Account - Operating	4/30/20	Apr Misc Dep fm v	GENJ	Apr misc deps fm wp	16,952.21	
10000	Checking Account - Operating	4/30/20	4/30/20 Payroll	GENJ	Payroll Cash		9,277.06
10000	Checking Account - Operating	5/1/20	Rvs 4/30 payroll t	GENJ	Reverse 4/30/20 payroll tax paid on 5/1		780.52

Physicians Indemnity RRG
General Ledger
For the Period From Apr 1, 2020 to Sep 30, 2020

Filter Criteria includes: 1) IDs: 10000. Report order is by ID. Report is printed with shortened descript

10000	Checking Account - Operating	5/1/20	E0260	CDJ	Paychex		61.70
10000	Checking Account - Operating	5/4/20	E0248	CDJ	Pol rec'ble activity		491.31
10000	Checking Account - Operating	5/4/20	E0245	CDJ	Florida Blue FL Blue		100.00
10000	Checking Account - Operating	5/4/20	E0246	CDJ	Bright House Networks		757.87
10000	Checking Account - Operating	5/4/20	E0247	CDJ	Goldenrule Insurance		45.12
10000	Checking Account - Operating	5/7/20	5/8/20 Payroll	GENJ	Payroll Cash		9,948.13
10000	Checking Account - Operating	5/7/20	E0249	CDJ	Ready Refresh		46.05
10000	Checking Account - Operating	5/7/20	6507	CDJ	Strategic Risk Solutions Inc.		10,700.00
10000	Checking Account - Operating	5/7/20	6508	CDJ	Travelers		3,307.00
10000	Checking Account - Operating	5/7/20	6509	CDJ	Moonlight Cleaning		80.25
10000	Checking Account - Operating	5/7/20	6510	CDJ	Luis Diaz-Rangel MD		5,000.00
10000	Checking Account - Operating	5/8/20	E0250	CDJ	Pol rec'ble activity		3,716.74
10000	Checking Account - Operating	5/8/20	E0251	CDJ	Withlacoochee River Electric		103.45
10000	Checking Account - Operating	5/8/20	E0252	CDJ	Paychex		61.70
10000	Checking Account - Operating	5/12/20	E0253	CDJ	Wells Fargo		911.09
10000	Checking Account - Operating	5/12/20	E0254	CDJ	Wells Fargo		969.67
10000	Checking Account - Operating	5/12/20	E0255	CDJ	Wells Fargo		175.43
10000	Checking Account - Operating	5/12/20	E0256	CDJ	Wells Fargo		35.00
10000	Checking Account - Operating	5/12/20	E0257	CDJ	Wells Fargo		13.89
10000	Checking Account - Operating	5/14/20	5/15/20 Payroll	GENJ	Payroll Cash		9,937.27
10000	Checking Account - Operating	5/14/20	6513	CDJ	Perr&Knight		15,480.00
10000	Checking Account - Operating	5/14/20	6514	CDJ	Douglas H. Bohannon, LLD		1,600.50
10000	Checking Account - Operating	5/15/20	E0258	CDJ	Paychex		61.70
10000	Checking Account - Operating	5/20/20	6515	CDJ	Thomas Smith MD		343.51
10000	Checking Account - Operating	5/21/20	6516	CDJ	Magruder Laser Vision		3,850.14
10000	Checking Account - Operating	5/21/20	6519	CDJ	Metro Connect		150.88
10000	Checking Account - Operating	5/22/20	5/22/20 Payroll	GENJ	Payroll Cash		9,948.13
10000	Checking Account - Operating	5/26/20	E0259	CDJ	Paychex		121.70
10000	Checking Account - Operating	5/28/20	6517	CDJ	Metro Tech, LLC		398.65
10000	Checking Account - Operating	5/28/20	6518	CDJ	GKL Registered Agents/Fillings		99.00
10000	Checking Account - Operating	5/28/20	6520	CDJ	MetLife - Dept 0945		841.44
10000	Checking Account - Operating	5/28/20	6521	CDJ	Nevada Secretary of State		2,275.00
10000	Checking Account - Operating	5/29/20	5/29/20 Payroll	GENJ	Payroll Cash		8,065.88
10000	Checking Account - Operating	5/31/20	May Echeck depo	GENJ	May Echeck collections	2,690.83	
10000	Checking Account - Operating	5/31/20	May Misc deps fm	GENJ	May misc deps fm wp	5,036.38	
10000	Checking Account - Operating	5/31/20	May CC deposits	GENJ	May CC collections	2,869.09	
10000	Checking Account - Operating	6/1/20	Rvs 5/29 Payroll t	GENJ	Reverse 5/29/20 payroll tax paid on 6/1		275.92
10000	Checking Account - Operating	6/1/20	E0260	CDJ	Wells Fargo		35.00
10000	Checking Account - Operating	6/1/20	E0261	CDJ	Bright House Networks		100.00
10000	Checking Account - Operating	6/2/20	E0262	CDJ	Florida Blue FL Blue		757.87
10000	Checking Account - Operating	6/3/20	E0263	CDJ	Goldenrule Insurance		45.12
10000	Checking Account - Operating	6/4/20	6/5/20 Payroll	GENJ	Payroll Cash		8,309.19
10000	Checking Account - Operating	6/4/20	E0264	CDJ	Ready Refresh		46.05
10000	Checking Account - Operating	6/4/20	6522	CDJ	Accelerated Business Solutions		132.44

Physicians Indemnity RRG
General Ledger
For the Period From Apr 1, 2020 to Sep 30, 2020

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10000	Checking Account - Operating	6/4/20	6523	CDJ	Metro Connect		150.88
10000	Checking Account - Operating	6/4/20	6524	CDJ	Douglas H. Bohannon, LLD		1,600.50
10000	Checking Account - Operating	6/4/20	6525	CDJ	Moonlight Cleaning		80.25
10000	Checking Account - Operating	6/4/20	6526	CDJ	Arthur J. Gallagher Risk Mgmt.		97,327.86
10000	Checking Account - Operating	6/4/20	6527	CDJ	Westside Medical Care		842.90
10000	Checking Account - Operating	6/5/20	E0265	CDJ	Paychex		67.35
10000	Checking Account - Operating	6/5/20	E0266	CDJ	Paychex		61.70
10000	Checking Account - Operating	6/8/20	E0267	CDJ	Paychex		121.70
10000	Checking Account - Operating	6/10/20	E0268	CDJ	Wells Fargo		68.70
10000	Checking Account - Operating	6/10/20	E0269	CDJ	Wells Fargo		35.00
10000	Checking Account - Operating	6/10/20	E0270	CDJ	Wells Fargo		33.56
10000	Checking Account - Operating	6/10/20	E0271	CDJ	Wells Fargo		13.96
10000	Checking Account - Operating	6/11/20	6/12/20 Payroll	GENJ	Payroll Cash		8,330.93
10000	Checking Account - Operating	6/11/20	E0272	CDJ	Wells Fargo		588.53
10000	Checking Account - Operating	6/11/20	6528	CDJ	Fedex		54.29
10000	Checking Account - Operating	6/11/20	6529	CDJ	Pitney Bowes		64.20
10000	Checking Account - Operating	6/12/20	E0273	CDJ	Withlacoochee River Electric		80.20
10000	Checking Account - Operating	6/12/20	E0274	CDJ	Paychex		61.70
10000	Checking Account - Operating	6/17/20	6530	CDJ	Strategic Risk Solutions Inc.		10,000.00
10000	Checking Account - Operating	6/17/20	6531	CDJ	Fedex		37.04
10000	Checking Account - Operating	6/18/20	6/19/20 Payroll	GENJ	Payroll Cash		8,265.69
10000	Checking Account - Operating	6/19/20	E0275	CDJ	Paychex		61.70
10000	Checking Account - Operating	6/25/20	6/26/20 Payroll	GENJ	Payroll Cash		8,412.47
10000	Checking Account - Operating	6/25/20	6532	CDJ	Thomas Smith MD		343.51
10000	Checking Account - Operating	6/25/20	6533	CDJ	Safe Touch		32.05
10000	Checking Account - Operating	6/25/20	6534	CDJ	Metro Tech, LLC		398.65
10000	Checking Account - Operating	6/26/20	E0276	CDJ	Paychex		61.70
10000	Checking Account - Operating	6/26/20	Bankcard fee reve	GENJ	Reversal of bankcard fee	35.00	
10000	Checking Account - Operating	6/30/20	June policy cash	GENJ	June policy cash activity	4,723.50	
10000	Checking Account - Operating	7/1/20	E0277	CDJ	The Medical Protective Company		46,778.81
10000	Checking Account - Operating	7/1/20	6535	CDJ	Melsar Risk Management Service		7,520.25
10000	Checking Account - Operating	7/1/20	6536	CDJ	Accelerated Business Solutions		5.94
10000	Checking Account - Operating	7/2/20	E0278	CDJ	Florida Blue FL Blue		757.87
10000	Checking Account - Operating	7/2/20	E0279	CDJ	Bright House Networks		100.00
10000	Checking Account - Operating	7/3/20	07/03/20 Payroll	GENJ	Payroll Cash		8,765.84
10000	Checking Account - Operating	7/3/20	E0280	CDJ	Goldenrule Insurance		45.12
10000	Checking Account - Operating	7/6/20	E0281	CDJ	Paychex		121.70
10000	Checking Account - Operating	7/6/20	E0282	CDJ	Ready Refresh		17.12
10000	Checking Account - Operating	7/8/20	6537	CDJ	Moonlight Cleaning		80.25
10000	Checking Account - Operating	7/8/20	6538	CDJ	Enterprise Guardian		20.00
10000	Checking Account - Operating	7/8/20	6539	CDJ	Douglas H. Bohannon, LLD		1,600.50
10000	Checking Account - Operating	7/8/20	6540	CDJ	Metro Connect		154.29
10000	Checking Account - Operating	7/8/20	6541	CDJ	Pasco County Tax Collector		13.75
10000	Checking Account - Operating	7/8/20	6542	CDJ	Strategic Risk Solutions Inc.		10,000.00

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10000	Checking Account - Operating	7/9/20	07/10/20 Payroll	GENJ	Payroll Cash		8,722.34
10000	Checking Account - Operating	7/10/20	E0283	CDJ	Wells Fargo		69.74
10000	Checking Account - Operating	7/10/20	E0284	CDJ	Wells Fargo		35.00
10000	Checking Account - Operating	7/10/20	E0285	CDJ	Wells Fargo		12.16
10000	Checking Account - Operating	7/10/20	E0286	CDJ	Wells Fargo		1.97
10000	Checking Account - Operating	7/10/20	E0287	CDJ	Withlacoochee River Electric		97.39
10000	Checking Account - Operating	7/10/20	E0288	CDJ	Paychex		73.70
10000	Checking Account - Operating	7/13/20	E0289	CDJ	Wells Fargo		554.29
10000	Checking Account - Operating	7/14/20	Branch Deposit	GENJ	Deposit Made at Branch	711.70	
10000	Checking Account - Operating	7/15/20	6543	CDJ	Flavia Inesta DPM		264.73
10000	Checking Account - Operating	7/17/20	07/17/20 Payroll	GENJ	Payroll Cash		7,656.82
10000	Checking Account - Operating	7/20/20	E0290	CDJ	Paychex		121.70
10000	Checking Account - Operating	7/20/20	6544	CDJ	Victoria Cayetano MD		193.64
10000	Checking Account - Operating	7/20/20	6545	CDJ	NAIC		235.00
10000	Checking Account - Operating	7/20/20	6546	CDJ	Safe Touch		36.33
10000	Checking Account - Operating	7/20/20	6547	CDJ	Metro Tech, LLC		398.65
10000	Checking Account - Operating	7/24/20	07/24/20 Payroll	GENJ	Payroll Cash		8,396.16
10000	Checking Account - Operating	7/27/20	E0291	CDJ	Paychex		121.70
10000	Checking Account - Operating	7/29/20	6548	CDJ	Strategic Risk Solutions Inc.		1,200.00
10000	Checking Account - Operating	7/29/20	6549	CDJ	Douglas H. Bohannon, LLD		1,600.50
10000	Checking Account - Operating	7/29/20	6550	CDJ	Melsar Risk Management Service		274.75
10000	Checking Account - Operating	7/29/20	6551	CDJ	Strategic Risk Solutions Inc.		3,355.00
10000	Checking Account - Operating	7/31/20	July Policy Cash	GENJ	June policy cash activity	4,226.38	
10000	Checking Account - Operating	7/31/20	07/31/20 Payroll	GENJ	Payroll Cash		8,461.40
10000	Checking Account - Operating	7/31/20	E0292	CDJ	Paychex		61.70
10000	Checking Account - Operating	8/1/20	E0293	CDJ	Bright House Networks		100.00
10000	Checking Account - Operating	8/4/20	E0294	CDJ	Goldenrule Insurance		45.12
10000	Checking Account - Operating	8/6/20	08/07/20 Payroll	GENJ	Payroll Cash		8,461.40
10000	Checking Account - Operating	8/6/20	6552	CDJ	Enterprise Guardian		20.00
10000	Checking Account - Operating	8/6/20	6553	CDJ	Metro Connect		153.40
10000	Checking Account - Operating	8/6/20	6554	CDJ	Moonlight Cleaning		80.25
10000	Checking Account - Operating	8/7/20	E0295	CDJ	Withlacoochee River Electric		111.53
10000	Checking Account - Operating	8/7/20	E0296	CDJ	Ready Refresh		74.98
10000	Checking Account - Operating	8/7/20	E0297	CDJ	Paychex		61.70
10000	Checking Account - Operating	8/10/20	6538V	CDJ	Enterprise Guardian	20.00	
10000	Checking Account - Operating	8/11/20	E0298	CDJ	Wells Fargo		556.91
10000	Checking Account - Operating	8/12/20	E0299	CDJ	Wells Fargo		65.08
10000	Checking Account - Operating	8/12/20	E0300	CDJ	Wells Fargo		35.00
10000	Checking Account - Operating	8/12/20	E0301	CDJ	Wells Fargo		11.54
10000	Checking Account - Operating	8/12/20	E0302	CDJ	Wells Fargo		1.59
10000	Checking Account - Operating	8/14/20	08/15/20 Payroll	GENJ	Payroll Cash		8,167.84
10000	Checking Account - Operating	8/17/20	E0303	CDJ	Paychex		121.70
10000	Checking Account - Operating	8/19/20	6555	CDJ	Cooperative Med		3,686.23
10000	Checking Account - Operating	8/19/20	6556	CDJ	Metro Tech, LLC		398.65

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10000	Checking Account - Operating	8/19/20	6557	CDJ	Safe Touch		36.33
10000	Checking Account - Operating	8/20/20	08/22/20 Payroll	GENJ	Payroll Cash		8,135.23
10000	Checking Account - Operating	8/21/20	E0304	CDJ	Paychex		61.70
10000	Checking Account - Operating	8/26/20	6558	CDJ	Douglas H. Bohannon, LLC		1,600.50
10000	Checking Account - Operating	8/28/20	08/29/20 Payroll	GENJ	Payroll Cash		8,135.23
10000	Checking Account - Operating	8/28/20	E0305	CDJ	Paychex		61.70
10000	Checking Account - Operating	8/31/20	August Policy Cas	GENJ	August policy cash activity	881.68	
10000	Checking Account - Operating	8/31/20	6552V	CDJ	Enterprise Guardian	20.00	
10000	Checking Account - Operating	9/1/20	Branch Deposit	GENJ	Deposit Made at Branch	244.47	
10000	Checking Account - Operating	9/1/20	E0306	CDJ	Bright House Networks		100.00
10000	Checking Account - Operating	9/3/20	6559	CDJ	Melsar Risk Management Service		787.50
10000	Checking Account - Operating	9/3/20	6560	CDJ	Accelerated Business Solutions		1.67
10000	Checking Account - Operating	9/3/20	6561	CDJ	Pitney Bowes		64.20
10000	Checking Account - Operating	9/3/20	6562	CDJ	Metro Connect		153.42
10000	Checking Account - Operating	9/3/20	6563	CDJ	Moonlight Cleaning		80.25
10000	Checking Account - Operating	9/3/20	6564	CDJ	Strategic Risk Solutions Inc.		10,000.00
10000	Checking Account - Operating	9/4/20	09/04/20 Payroll	GENJ	Payroll Cash		7,787.30
10000	Checking Account - Operating	9/4/20	E0307	CDJ	Ready Refresh		17.12
10000	Checking Account - Operating	9/8/20	E0308	CDJ	Paychex		125.00
10000	Checking Account - Operating	9/11/20	09/11/20 Payroll	GENJ	Payroll Cash		7,700.32
10000	Checking Account - Operating	9/11/20	E0309	CDJ	Wells Fargo		524.57
10000	Checking Account - Operating	9/11/20	E0310	CDJ	Wells Fargo		35.00
10000	Checking Account - Operating	9/11/20	E0311	CDJ	Wells Fargo		0.50
10000	Checking Account - Operating	9/11/20	E0312	CDJ	Withlacoochee River Electric		94.21
10000	Checking Account - Operating	9/15/20	E0313	CDJ	Paychex		155.00
10000	Checking Account - Operating	9/17/20	6565	CDJ	Safe Touch		36.33
10000	Checking Account - Operating	9/18/20	09/18/20 Payroll	GENJ	Payroll Cash		7,830.79
10000	Checking Account - Operating	9/21/20	E0314	CDJ	Paychex		125.00
10000	Checking Account - Operating	9/25/20	09/25/20 Payroll	GENJ	Payroll Cash		7,615.60
10000	Checking Account - Operating	9/28/20	E0315	CDJ	Paychex		125.00
10000	Checking Account - Operating	9/30/20	Sept. Policy Cash	GENJ	August policy cash activity	208.06	
RSG	Pool Investment Income	3/31-9/30/20	Income	GENJ	Investment Income	37,674.94	
						<u>156,146.91</u>	<u>508,584.91</u>

Cash Receipts less Cash Disbursements for 3/31/20 through 9/30/20 (352,438)

September 30, 2020 Cash and Cash Equivalents \$ 1,389,650

**Physicians Indemnity RRG
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EXHIBIT 3

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(EXPENSES PAID 10/21/20-03/31/21)