

RECEIVERSHIP STATUS REPORT TO THE SPECIAL MASTER

November 7, 2025

R-559 Access Insurance Company

Special Deputy Receiver:	CANTILO & BENNETT, L.L.P.	TX Guaranty Assoc.:	TPCIGA
SDR Responsible Person:	Susan E. Salch	Receiver's Counsel:	Shawn Martin
SDR's Counsel:	Greg Pierce	Est'd Closing Date:	Q3/Q4 2026

SPECIFIC ACCOMPLISHMENTS SINCE LAST STATUS CONFERENCE

- Adjudicated and quantified deemed deductible POCs.
- Requested an updated actuarial report (a draft of which was received in mid-October).
- Filed Application for Approval of Fifth Early Access Distribution.

SPECIFIC ESTATE GOALS TO ACHIEVE IN THE NEXT QUARTER

- Analyze and finalize updated actuarial report.
- Revisit commutation with remaining reinsurers based on updated actuarial report.

Receivership Background

- Date of Permanent Injunction (Liquidation): March 13, 2018
- Date of SDR Appointment: March 14, 2018
- Claim Filing Deadline: September 13, 2019
- Late Claim Filing Deadline: March 31, 2025
- States Where Licensed: TX, AL, AZ, AR, CA, DE, TN, FL, GA, IN, KY, LA, MS, MO, MT, NV, NM, NC, OK, OR, PA, SC
- Line of Business: Non-standard auto
- Early Access Distributions: \$138,771,196

Statement of Assets and Liabilities as of September 30, 2025

Total Assets:	\$231,568,200
Cash & Invested Assets:	\$ 60,304,820
Non-Cash Assets:	\$171,263,380
Total Liabilities:	\$408,560,015
Negative Equity:	\$(176,991,815)

Asset Recovery through September 30, 2025

Premium Collected:	\$ 10,792,951
Subrogation/Salvage:	\$ 926,016
Reinsurance Collected:	\$109,806,794
CDs Sold/Matured:	\$ 25,749,715
IOLTA Funds Recovered:	\$ 639,736
Litigation/Settlement Recovery:	\$ 16,623,502

Asset Recovery Activity

Reinsurance Collections: Reinsurance collections total \$109,806,794 from inception through September 30, 2025. The SDR determined that an updated actuarial report (given the length of time since the last report as of September 30, 2023) will strategically assist the SDR in the continued discussions with the various reinsurers who have not yet commuted. The estate's actuaries completed a draft report which the SDR and its reinsurance and accounting professionals are reviewing. The report will be finalized in the next quarter.

SDR v. John Paul Fuchs: The SDR reached an agreement with Mr. Fuchs to pay approximately 50% of the judgment in installments payable through March of 2026. As of September 30, 2025, he had paid \$23,502.

Claims Activity

Proofs of Claim ("POCs"): There were no new claims in the last quarter. As of September 30, 2025, the SDR received 9,461 POCs. Pursuant to the Receivership Court's

POC Order, there is no deadline for the timely filing of subrogation claims. The Court ordered the SDR to cut off late claims as of March 31, 2025.

As of September 30, 2025, the SDR has approved claims for \$179,073,103, including: 323 Class 1 claims for \$38,765 arising from POCs filed by AIC defense counsel for post-receivership work expressly authorized by the SDR (some of the defense counsel POCs include both pre-receivership Class 5 claims and post-receivership Class 1 claims). The SDR approved Class 1 and 2 guaranty association claims in the amount of \$141,493,177. In addition, the SDR has approved 49 non-guaranty association Class 2 claims for \$181,474, largely consisting of uncovered unearned premium (“UEP”) and 15 non-covered loss claims; 6,088 Class 5 subrogation claims for \$35,500,895; 845 Class 5 AIC defense counsel claims for pre-receivership fees and expenses for \$909,694; 453 Class 5 vendor claims for \$458,085; and 9 Class 6 claims for \$78,676, which are claims submitted by state or municipal governments. One POC has been withdrawn, and 1,626 have been denied (disallowed).

Deemed Deductible POC Project: The Receivership Court approved the SDR’s plan to deem statutory deductible claims. The proposed plan requires consumers to confirm their current address and establishes a \$25 de minimis floor for approved claims. All deemed deductible claims will have a Class 2 priority. As of June 18, 2025, the SDR’s staff completed mailing 6,498 notice letters to potential claimants. The SDR received 260 confirming responses, while 1,385 notices were returned as undeliverable. The SDR has deemed POCs for all 260 respondents in the amount of \$100,194. The project is largely completed, but if any additional responses are received, the SDR will deem them accordingly.

Guaranty Associations

Early Access: To date, the SDR has made \$138,771,196 in early access distributions to the guaranty associations (including the payment to the Arkansas association in December). All Class 1 and Class 2 claims for the associations, including UEP claims, have been funded through May 31, 2024. All of the guaranty association POCs have been adjudicated. The SDR recently filed an application to make a fifth early access distribution to cover the gap between what has been paid previously and what was approved in those POCs.

Total guaranty association loss reserves decreased in the last quarter from \$414,370 to \$330,735.

General Administrative Matters

Financial Statements: The SDR has continued to update the estate’s financial reporting to include current information regarding the amounts approved on POCs and their classification, along with the amounts potentially available for distribution. The financial statements are intended to provide approved creditors of the estate with sufficient

information for them to accurately estimate their potential distribution while at the same time securing the historic financial reporting for NOL calculations and tax filings.

Federal Claims Release Submission: The SDR submitted the estate's request for the release of federal claims on April 9, 2025.

Records Requests and Subpoenas: Effective April 1, 2025, the SDR stopped responding to subpoenas or requests for production from third-party litigation (the vast majority of which come from California). Three timely received subpoenas are being processed.

Estimated Closing Date of Receivership: The SDR estimates that the estate could close in mid-to late 2026.

Factors Affecting Closing Date and Final Distribution:

- Reinsurance commutations
- Federal release of claims