2025 ANNUAL REPORT

CONSERVATION *and* LIQUIDATION OFFICE

CONSERVATION & LIQUIDATION OFFICE

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SECTION ONE – THE CONSERVATION & LIQUIDATION OFFICE

Background

The California Insurance Commissioner (Commissioner), an elected official of the State of California, acts under the supervision of the Superior Court when conserving and liquidating insurance enterprises. In this statutory capacity, the Commissioner is charged with the responsibility for taking possession and control of the assets and affairs of financially troubled insurance enterprises domiciled in California. An impaired enterprise subject to a conservation or liquidation order is commonly referred to as an estate.

The Commissioner, through the Office of the Attorney General, applies to the Superior Court (Court) for a conservation order to place the financially troubled enterprise in conservatorship. Under a conservation order, the Commissioner takes possession of the estate's financial records and real and personal property, and conducts the business of the estate until a final disposition regarding the estate is determined. The conservation order allows the Commissioner to begin an investigation to determine, based on the estate's financial condition, if the estate can be rehabilitated, or if continuing business would be hazardous to its policyholders, creditors, or the public.

If, at the time the conservation order is issued or anytime thereafter, it appears to the Commissioner that it would be futile to proceed with the conservation, the Commissioner will apply for an order to liquidate the estate's business. In response to the Commissioner's application, the Court generally orders the Commissioner to liquidate the estate's business in the most expeditious fashion.

The Conservation & Liquidation Office ("CLO") performs conservation and liquidation services on behalf of the Commissioner with respect to insurance companies domiciled in California.

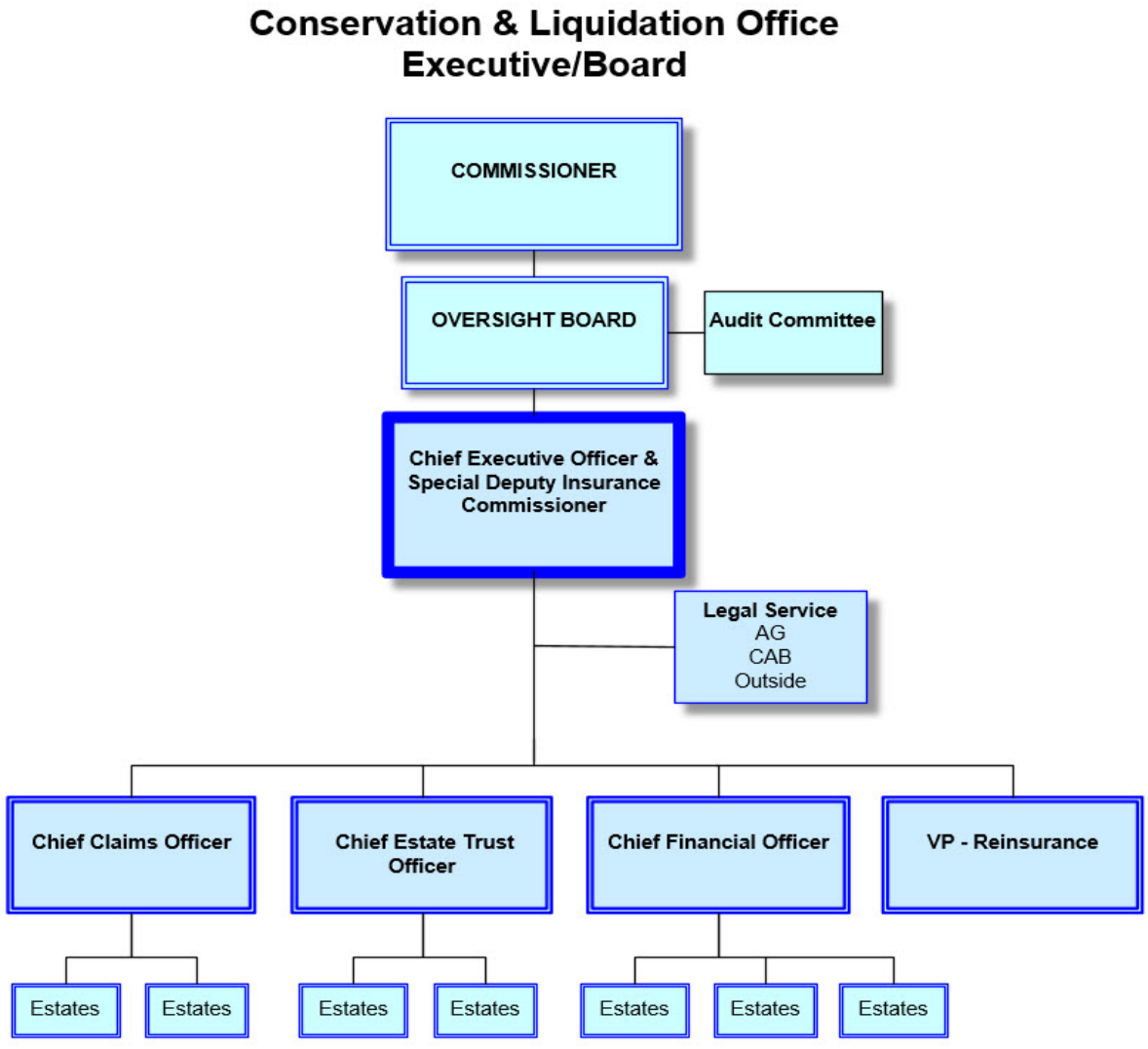
The CLO was created in 1994 as the successor to the Conservation & Liquidation Division of the California Department of Insurance which was managed by state employees. The CLO is based in San Francisco, California. As of December 31, 2025, the CLO is responsible for the administration of 10 insurance estates.

In addition to the role described above, the CLO at times provides special examination services. The CLO is reimbursed directly by the company being examined. During 2025, the CLO assisted with one special examination.

In 2014, the CLO's Oversight Board authorized the CLO/Regulatory Services Group (RSG) (name used when doing work other than traditional California conservation and liquidations) to enter an engagement with the Nevada Insurance Commissioner to provide receivership management services. In 2016, the Board authorized engagements with Insurance Commissioners from the states of Colorado, Hawaii, Oregon, and Wyoming. In 2017, the Board authorized an engagement with the State of

Arizona to assist in the Meritas insolvency. In 2020, the Board again authorized an engagement with the State of Nevada to assist in the Physicians Indemnity Risk Retention Group insolvency. In 2023, the Board authorized an engagement with the State of Colorado to assist with the Administrative Supervision of a Colorado domiciled company. In 2024 and 2025, the Board authorized engagements with the State of Oregon to assist with the Administrative Examination of two Oregon domiciled insurance companies. By providing professional troubled company and receivership services to other states, the CLO and RSG are able to maintain proven receivership skills and institutional knowledge in California at a time that receiverships/liquidations are declining. These engagements further help to reduce the overall cost to California estates under the management of the CLO.

Organizational Structure



Oversight Board and Audit Committee Meetings

CLO activities are overseen by an Oversight Board composed of three senior executives of the California Department of Insurance. The Board also serves as the Audit Committee members. During 2025, the Oversight Board and Audit Committee members were the Chief Deputy Commissioner, General Counsel / Deputy Commissioner, and Deputy Commissioner of the Financial Surveillance Branch.

During 2025, the Oversight Board and Audit Committee held three regularly scheduled meetings.

Mission Statement and 2025 Organizational Goals and Results

The CLO's Mission Statement is as follows:

> The CLO, on behalf of the Insurance Commissioner, rehabilitates and/or liquidates, under Court supervision, troubled insurance enterprises domiciled in the State of California. In addition, the CLO provides Special Examination Services, with Commissioner and Board oversight. As a fiduciary for the benefit of claimants, the CLO handles the property of troubled or failed enterprises in a prudent, cost-effective, fair, timely, and expeditious manner.

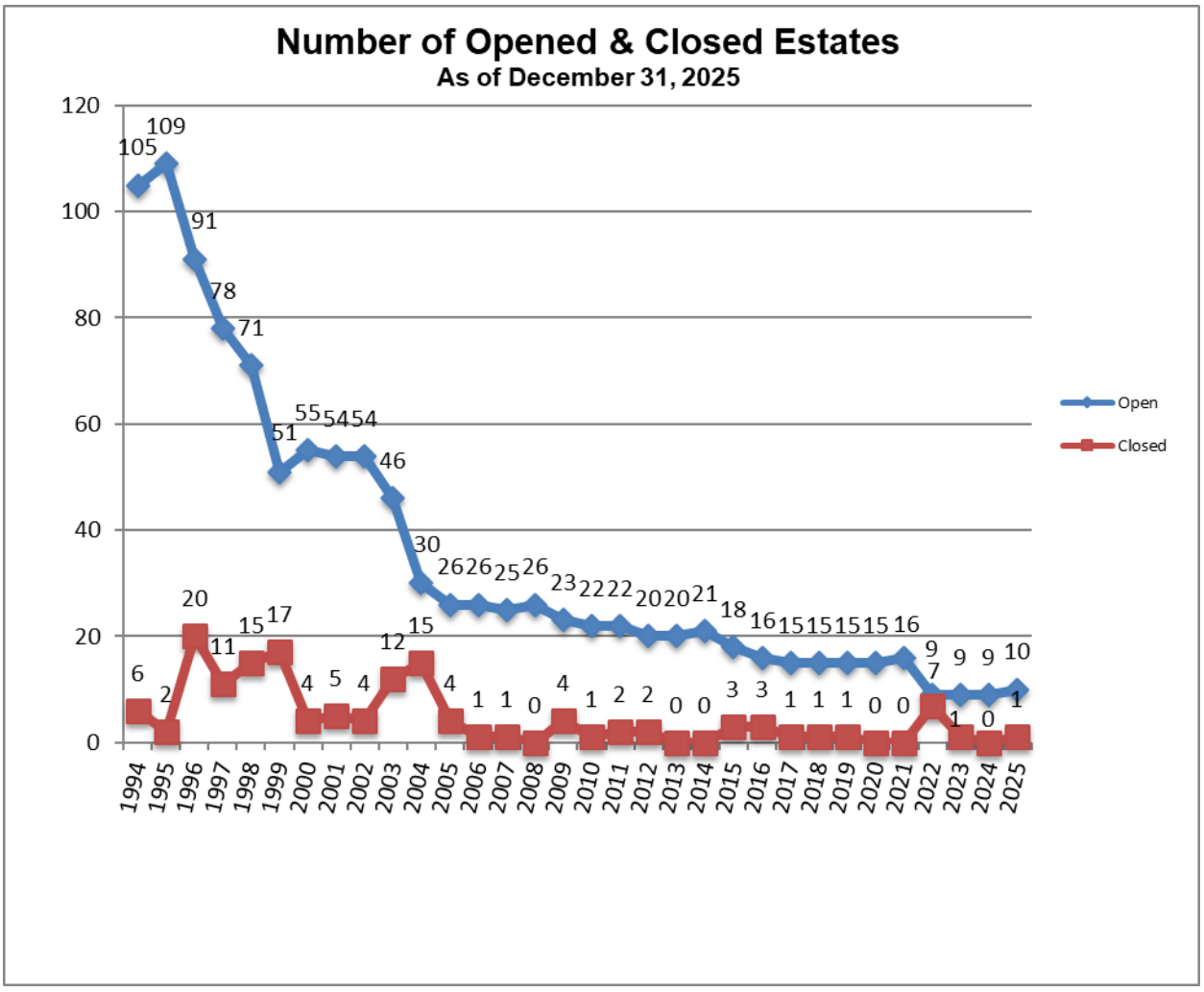
On an annual basis, the CLO prepares a Business Plan for the organization supporting the CLO Mission Statement. The Business Plan is presented to the Oversight Board for approval.

The 2025 Business Plan focused on estate closings and distributions, collecting/converting assets, evaluating claims and enhancing the operating efficiencies of the CLO.

Entering 2025, there were nine open estates under management. All nine of the open estates are property & casualty estates. The CLO goal in 2025 was to close one estate and distribute $20 million.

1. Closings

GOAL	RESULTS
Close one Estate: 1) Merced Property and Cas. Co.	The Merced Property and Cas. Co. estate filed its Declaration of Compliance and is closed as of November 18, 2025.



Since 1994, there have been approximately 143 estates closed. These estates consisted of 55 ancillaries, 22 title companies and 66 regular insurers. Ancillary proceedings and title companies typically require only limited work on behalf of the Liquidator.

2. Distributions

Early Access Distribution

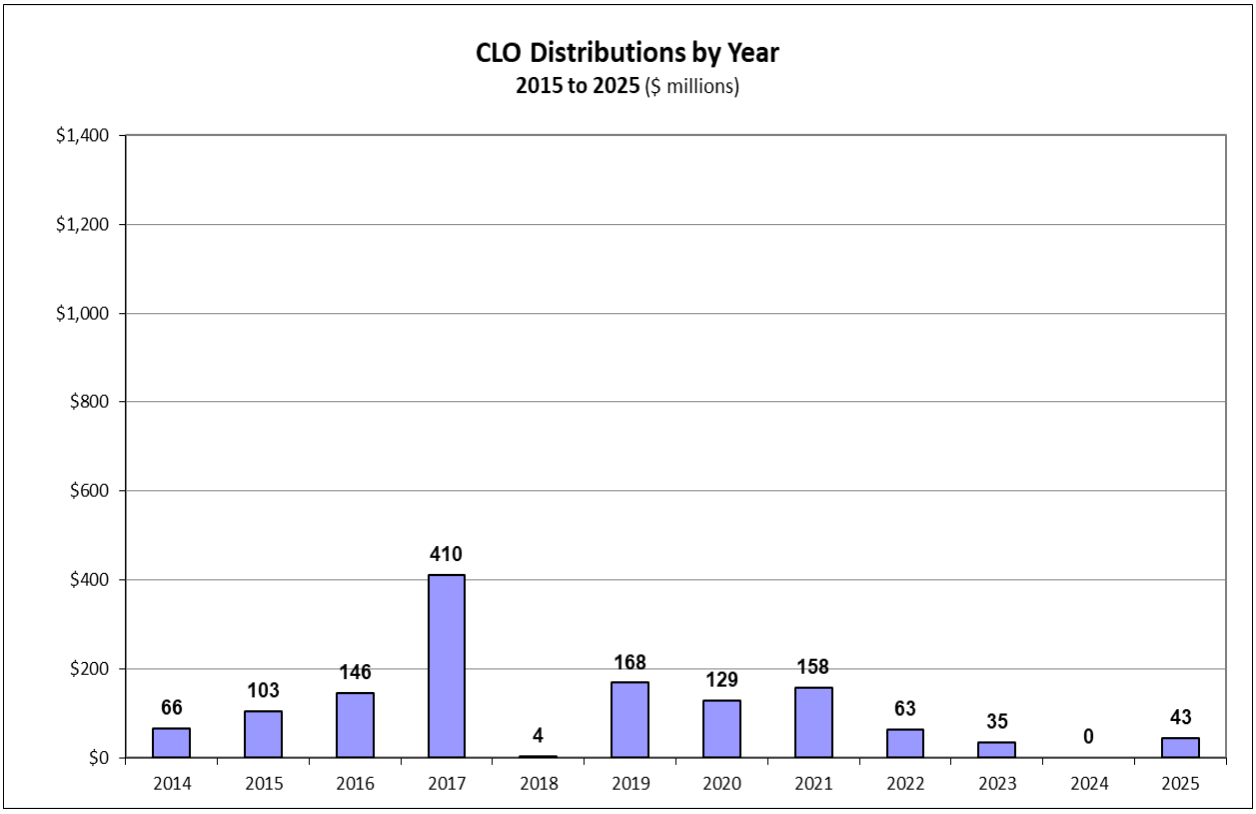
Estate	2025 Actual ($ Millions)	2025 Goal ($ Millions)
CastlePoint National Ins. Co.	$15.00	$15.00
Sub-total:	**$15.00**	**$15.00**

Interim Distribution

Estate	2025 Actual ($ Millions)	2025 Goal ($ Millions)
CastlePoint National Ins. Co.	$20.04	$0
Sub-total:	**$20.04**	**$0**

Final Distributions

Estate	2025 Actual ($ Millions)	2025 Goal ($ Millions)
Merced Property and Cas. Co.	$8.07	$5.00
Sub-total:	**8.07**	**5.00**
TOTAL DISTRIBUTIONS:	**$43.11**	**$20.00**



CLO Investment Policy

The CLO has a formal investment policy, as approved by its Oversight Board, requiring that investments be investment grade fixed income obligations of any type. These investments may be issued or guaranteed by (1) the U.S. and agencies, instrumentalities, and political sub-divisions of the U.S., and/or (2) U.S. corporations, trusts and special purpose entities. Such securities must be traded on exchanges or in over-the-counter markets in the U.S. None of the portfolio will be invested in fixed income securities rated below investment grade quality by Standard & Poor's, Moody's, or by another nationally recognized statistical rating organization. In addition, the duration must be maintained within +/- 12 months of the Barclays Capital U.S. Government/Credit 1-3 Yr. The average duration was approximately 2 years at December 31, 2025.

The investments are managed in equal parts by two professional money management firms and are warehoused with US Bank.

At December 31, 2025, the CLO had $195.2 million of estate marketable investment securities under management.

For the year ending December 31, 2025, the average portfolio balance was approximately $197 million. The portfolio earned an interest yield of 3.8% and a net yield after security gains/losses and mark-to-market adjustments of 4.9%.

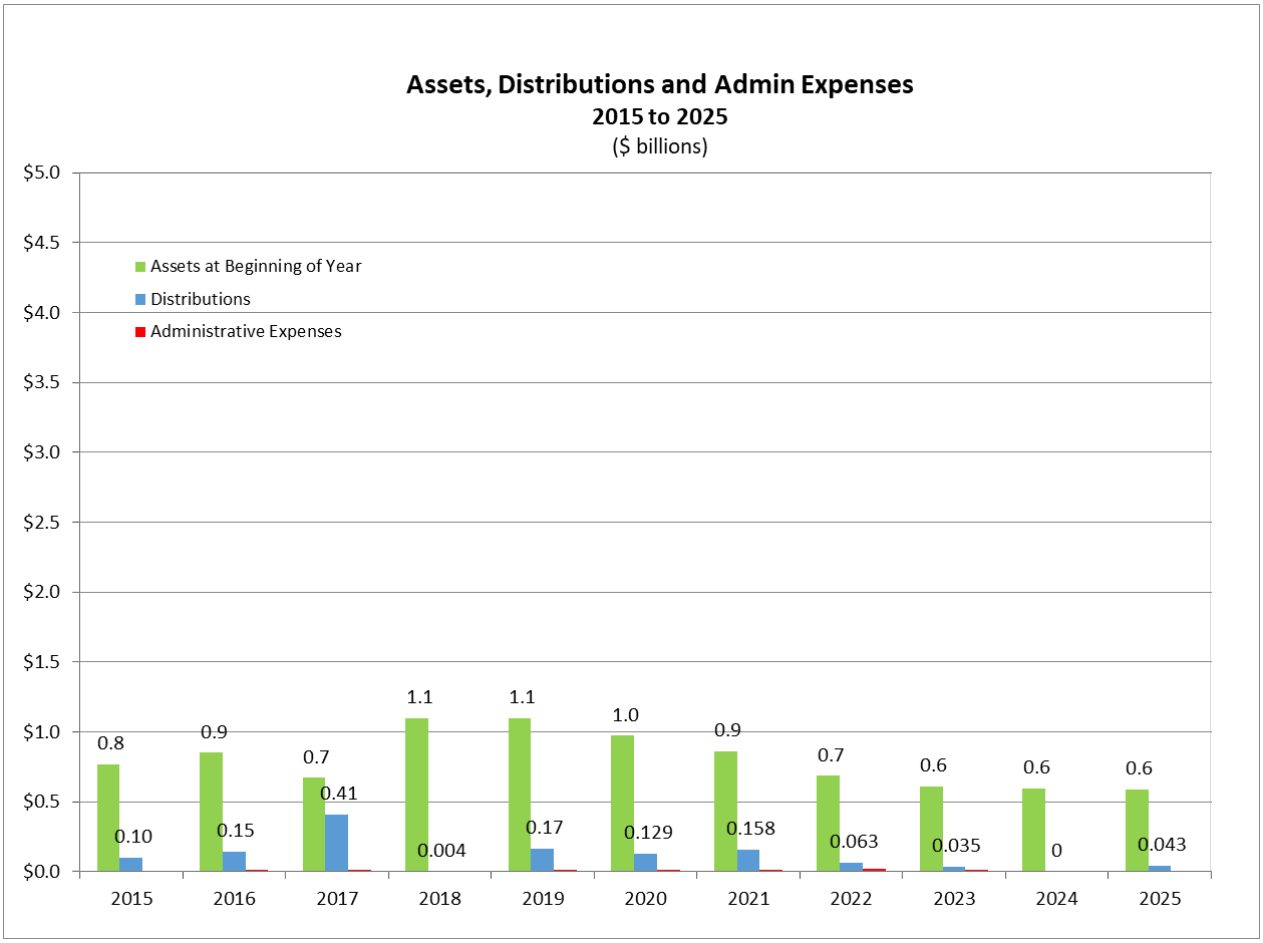
Administrative Expenses

Administrative expenses consist of both direct and indirect expenses. See “CLO Financial Results” section of this report on the budget and actual expenditures for 2025 for direct and indirect expenses.

Direct expenses charged to estates consist of legal costs, consultants and contractors, salaries and benefits for employees working exclusively for a single estate, if applicable; office expenses, and depreciation of property and equipment.

Indirect expenses that are not incurred on behalf of a specific estate are allocated using an allocation method based on the ratio of employee hours directly charged to a specific estate to total direct hours charged to all estates. For example, if employees charged 200 hours to a specific estate and in total 2,000 hours were incurred by all estates, that specific estate would be allocated 10% (200 hours divided by 2,000 total hours charged to all estates). Indirect expenses include CLO employee compensation, rent, and other facilities charges and office expenses.

In accordance with California Insurance Code Section 1035, the Commissioner may petition funds from a general appropriation of the State of California Insurance Fund if an estate does not have sufficient assets to pay for administrative expenses.



The chart above displays the aggregated estate assets at the beginning of each year, and distributions and administrative expenses from the year 2015 to 2025. The table below lists these figures.

Year	Assets ($ billions)	Distributions ($ millions)	Administrative Expenses ($ millions)
2013	$1.0	$57	$14
2014	$0.9	$66	$15
2015	$0.8	$103	$16
2016	$0.9	$146	$15
2017	$0.7	$410	$11

Year	Assets ($ billions)	Distributions ($ millions)	Administrative Expenses ($ millions)
2018	$1.1	$4	$9
2019	$1.1	$168	$13
2020	$1.0	$129	$11
2021	$0.9	$158	$15
2022	$0.7	$63	$24
2023	$0.6	$35	$17*
2024	$0.6	$0	$9
2025	$0.6	$43	$7

* This amount includes a 5% contingent legal fee ($5,530,505) incurred by Colorado HealthOp in 2023 for litigating and collecting $110 million in risk corridor receivables from the Centers for Medicare and Medicaid Services (“CMS”). If the Colorado Health expenses for 2023 are excluded, the total CLO administrative expenses for 2023 were $11,095,495.

Compensation Methodology

The CLO is not part of the State’s civil service system. All employees are at-will. The CLO does not have a bonus plan or pay incentive compensation. To that end, the CLO has established policies and procedures that are more akin to the private marketplace. The CLO engages an outside consultant to assist in establishing compensation ranges. In developing this report for the CLO, the primary survey source used was the CompAnalyst, which is a large survey representing thousands of companies across the U.S. which includes hundreds of jobs. This subscription survey collects marketplace compensation data from many sources and uses mathematical algorithms to predict the pay level of any of its survey jobs in major industries and geographical locations. The data used in this study was the nonprofit industry segment located in San Francisco.

A summary of the compensation procedures follows:

A written job description is developed for each position.

Salary grades are derived from comparable external market data.

Salary ranges are identified (low, middle, and high) based on market comparisons obtained by an outside independent compensation consultant.

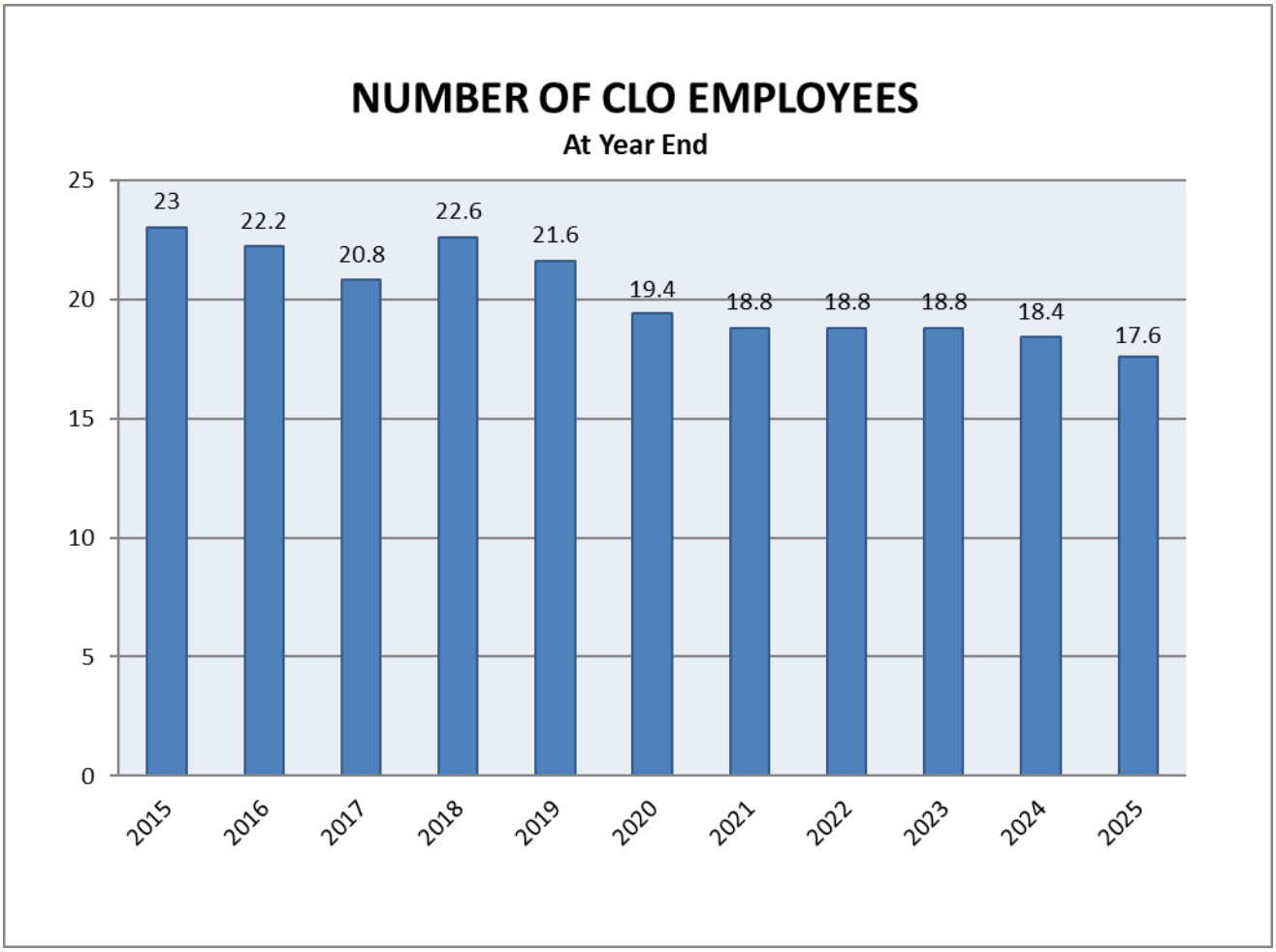
Salary ranges are updated periodically.

The creation of a “new job position” is sent to an outside consultant for external evaluation.

All employees receive an annual compensation review.

CLO employment on a full-time equivalent basis and total compensation for employees are summarized below:

	2025	2026 (Budget)
Number of CLO full-time equivalent employees at beginning of year	18.4	17.6
Total compensation and benefits for CLO employees	$4,655,548	$4,813,378



The chart above shows the number of CLO full-time employee equivalent from 2015 to 2025.

As estates have closed resulting in reduced workloads, and as a result of internal operating efficiencies, the number of full-time employees decreased by 23% compared to December 31, 2015.

CLO Financial Results

For Years Ended December 31, 2025 and December 31, 2024

Cash received	December 31, 2025 Actual	December 31, 2025 Budget	December 31, 2024
Reinsurance recoveries, and miscellaneous income	$10,202,200	Reinsurance recoveries and miscellaneous income are not amendable to budgeting due to the irregular timing of their occurrence.	$11,578,800
Investment income, net of expenses	12,469,400	Investment income is not budgeted due to the large changes in investment balances that occur throughout the year (due to distributions), as well as changes in investment return rates.	18,346,800
Total:	**$22,671,600**		**$29,925,600**

	December 31, 2025 Actual	December 31, 2025 Budget	December 31, 2024
Distributions	**$43,111,900**	**$20,000,000**	**$0**

Administrative – Estate Direct Expenses

Estate Direct Expenses	December 31, 2025 Actual	December 31, 2025 Budget	December 31, 2024
Legal expenses	$745,100	$1,236,000	$1,277,900
Consultants and contractors	915,300	957,400	1,144,600
Office expenses	127,900	281,500	1,023,500
Compensation and benefits	0.00	5,000	0
Total:	$1,788,300	$2,479,900	$3,446,000

Administrative – CLO Overhead Expenses

CLO Overhead Expenses	December 31, 2025 Actual	December 31, 2025 Budget	December 31, 2024
Compensation and benefits	$4,655,300	$4,786,300	$4,550,900
Office expenses	948,800	1,075,400	951,800
Consultants and contractors	94,900	141,000	98,100
Legal expenses	3,300	9,000	3,000
Total:	$5,702,300	$6,011,700	$5,603,800

Administrative Totals	December 31, 2025 Actual	December 31, 2025 Budget	December 31, 2024
Estate Direct Expense Total	$1,788,300	$2,479,900	$3,446,000
CLO Overhead Expense Total	5,702,300	6,011,700	5,603,800
Total:	**$7,490,600**	**$8,491,600**	**$9,049,800**

Estates Open Longer Than Ten Years

After the entry of an order placing an impaired California insurer into conservation and/or liquidation, the Insurance Commissioner and the CLO have the statutory responsibility to marshal and resolve the assets and liabilities of the failed entity.

The time required to close an insolvency proceeding is largely determined by the amount and complexity of the assets to be monetized and distributed to claimants. In addition, the length of an insolvency is equally affected by the amount of time required to make a final determination of an estate's liability.

Most of the insolvencies that remain open for more than ten years have some combination of on-going litigation, complicated tax exposure, potential collection of additional material assets, and challenges associated with the evaluation of liabilities. Until both sides of the insolvent estate's balance sheet are resolved (assets collected and liabilities fixed), the insolvency proceeding will remain open. In addition, estates are subject to federal tax reporting and escheatment requirements after the final distribution. The estates listed below have been in liquidation for ten years or more.

Fremont Indemnity Company:

Fremont released a $83.4 million final distribution to approved Class 2 creditors on September 26, 2019; the distribution paid 43.25% of approved policyholder claims. The Estate completed most all post distribution and closing activities in 2020 including the sale of a subsidiary entity to a third party. The Estate continues to hold certain non-transferrable annuity assets that generate material periodic payments to the estate and will continue to over the next number of years. Together with the FLIC sale proceeds, the liquidation court has authorized the estate to retain the non-transferrable assets to be collected, and to distribute those funds when collections reach a $5 million threshold. The estate currently holds approximately $8.2 million and will commence distribution planning in late 2026 for a distribution in early 2027.

Golden Eagle:

The Estate has been placed in an administrative closure status on the active Superior Court docket subject to the remaining claims run-off plan. Golden Eagle policyholder claims have been 100% reinsured and are being paid timely. The reinsurance program covering the court sanctioned run-off ensures Golden Eagle's ability to pay all policyholder claims when and as they become payable (up to the reinsurer's aggregate limit of liability). As such the Commissioner has not asked the court to take any action that would prematurely cut off any policyholder's right to submit and be paid on a claim covered under a Golden Eagle policy. Golden Eagle and the insurance guaranty associations remain liable to the policyholders in the very unlikely event the reinsurance is not sufficient to satisfy all claim obligations. The reinsurance program continues to provide sufficient coverage to accommodate all remaining claims exposure, but if the

reinsurance protection is ever exhausted (by reaching the reinsurer's aggregate limit of liability) the Commissioner will take steps to trigger guaranty association protection for Golden Eagle's policyholders. Until all claims are resolved or paid out, the Estate will continue to honor all remaining claims run-off requirements but will remain in an administratively closed status. The CLO acts in a pure monitoring capacity to ensure that the reinsurance contract continues to be sufficient to pay all claims.

Mission/Mission National:

Both Mission Insurance Company and Mission National Insurance Company have paid 100% of all Policyholder claim exposure. In addition to entering into agreements with the United States Department of Justice and the EPA on a Federal Waiver settlement and release, the Mission estate received material distributions in 2019 and early 2020 from the Receivership estate of Centaur in Illinois. Subsequent to the Centaur collections, the Mission estate completed distributions to creditors totaling $49.5 million. Mission and Mission National estates will remain open to collect final reinsurance obligations from the Holland America company and Universal Ruck, both insolvent estates.

Claims History

Property and Casualty Estates

Estate	Liquidation Date	Proof of Claims Filed	Proof of Claims Resolved	Open Proof of Claims
California Ins Co	N/A	TBD	TBD	TBD
CastlePoint National	4/1/2017	1,906	1,457	449
Crusader Ins Co	N/A	TBD	TBD	TBD
First American Title	N/A			
Fremont	7/2/2003	45,673	45,673	0
Golden Eagle	2/18/1998		n/a (see below)	
Mission (2 estates)	2/24/1987	141,646	141,646	0
Real Advantage Title	N/A			
Western General	08/05/2021	2,601	2,092	509
	Total:	**191,826**	**190,868**	**958**

Note: Golden Eagle is not subject to a finding of statutory insolvency. All claims are covered under a reinsurance agreement and are being paid by the reinsurer.

2026 Business Goals

The 2026 Business Plan is focusing on estate closings and distributions.

Entering 2026 there are 10 open estates under management by the CLO. The open estates consist of eight Property & Casualty Estates and two Title companies. Our goal in 2026 is to distribute $20.00 million.

Starting 2026, we have 17.6 full-time employee equivalents. We will re-assess staffing requirements throughout the year and will make any changes deemed necessary.

The 2026 Goals are as follows:

1. Interim and Early Access Distributions

   Interim Distribution:

   CastlePoint National Ins. Co. 15,000,000

   Early Access Distributions:

   Western General Ins. Co. 5,000,000

   $20,000,000

SECTION TWO – ESTATE SPECIFIC INFORMATION

Conservation or Liquidation Estates Opened During the Year 2025

First American Title Company of Napa – 12/22/2025

Real Advantage Title Insurance Company – 09/09/2025

Conservation or Liquidation Estates Closed During the Year 2025

Merced Property & Casualty Company

Conservation & Liquidation Office
Current Year and Cumulative Distributions by Estate
Year Ended 12/31/2025
Federal and State

ESTATE	POLICYHOLDERS	CLAIMS	GENERAL CREDITORS	TOTAL
CastlePoint National Ins Co	35,041,664	-	-	35,041,664[A]
Fremont Indemnity Co	-	-	-	-
Merced Prop Cas Co	-	-	8,070,204	8,070,204
Mission Ins Co	-	-	-	-
Mission National Ins Co	-	-	-	-
	35,041,664	-	8,070,204	43,111,868

A: Includes $33,448 of statutory deposit released to MI.

Cumulative to 12/31/2025
Federal and State

ESTATE	POLICYHOLDERS	CLAIMS	GENERAL CREDITORS	TOTAL
CastlePoint National Ins Co	377,391,566	-	-	377,391,566
Fremont Indemnity Co	1,106,139,443	-	-	1,106,139,443

ESTATE	POLICYHOLDERS	CLAIMS	GENERAL CREDITORS	TOTAL
Merced Property & Casualty Ins	26,953,260	-	8,070,204	35,023,464
Mission Ins Co	846,832,560	23,861,132	390,041,525	1,260,735,218
Mission National Ins Co	536,482,595	4,850,000	27,077,326	568,409,921
	2,893,799,424	28,711,132	425,189,055	3,347,699,612

*The CastlePoint estate made statutory deposit releases of $227.6 million (2017), $4.9 million (2018), and $19 million (2019) and an early access distribution of $60.7 million occurred in October of 2022. These statutory deposit releases and prior distributions coupled with the 2025 early access distribution of $35.04 million give the estate a cumulative distribution total of $377.4 million.

Note: California Ins. Co., Crusader, First American Title, Golden Eagle, Real Advantage Title, and Western General estates are not included as no distributions have occurred.

Estates in Conservation and/or Liquidation as of December 31, 2025

Estate Name	Date Conserved	Date Liquidated
California Insurance Company	11/04/19	*
CastlePoint National Insurance Company	07/28/16	04/01/17
Crusader Insurance Company	06/07/2023	*
First American Title Company of Napa	12/22/2025	*
Fremont Indemnity Company	06/04/03	07/02/03
Golden Eagle Insurance Company	01/31/97	02/18/98
Mission Insurance Company	10/31/85	02/24/87
Mission National Insurance Company	11/26/85	02/24/87
Real Advantage Title Insurance Company	09/09/2025	*
Western General Insurance Company	05/26/2021	08/05/2021

***No Liquidation Order obtained**

****No Conservation Order obtained**

Report on Individual Estates

Each estate has its own unique set of challenges to monetizing assets, valuing the claims, distributing assets and closing. No two estates are the same. The remaining portion of Section 2 provides a brief summary of the 2025 operating goals and results, the current status of the estate in the conservation or liquidation process, and summarized financial information. *(See note below).*

In reviewing the financial information, the following must be taken into account:

- The Statement of Assets and Liabilities have been prepared on the liquidation basis of accounting. Under the liquidation basis of accounting, assets reported on the financial statements are assets that are determined to be collectible. The liabilities may change during the course of the liquidation depending on the types of business written by the company, and as claims are reviewed and adjudicated.
- No estimates for future administrative expenses are included in the liabilities, unless the estate has been approved for final distribution and closure by the Court.
- California Insurance Code Section 1033 prescribes that claims on estate assets are paid according to a priority scheme, except when otherwise provided in a rehabilitation plan. The probability of a claim being paid is dependent on the valuation of the claim, the order of priority of the claim, and the amount of funds remaining after other claims having higher preference have been discharged. Each priority class of claims must be fully paid before any distribution may be made to the next priority class. All members of a class receiving partial payment receive the same pro-rata amount.
- For estates where available assets are insufficient to pay all policyholder claims, the CLO intentionally does not evaluate the lower priority proofs of claims (POCs), since to do so would incur unnecessary administrative time and expenses, reducing funds available for distribution to higher-priority claimants.
- Shareholders receive any remaining residual value of the estate's net assets only after the general creditors have been paid.
- Beginning Monetary Assets at takeover represent cash and investment balances at the time of liquidation or, in cases where the estate was first liquidated and managed by other parties, at the time the estate was taken over by the Conservation & Liquidation Office.

Note: Each estate under management of the CLO has an annual independent review of its financial statements. Copies of the independently reviewed financial statements can be accessed through the CLO webpage. Annual audits or reviews are waived for estates with little or no assets or activity.

ESTATE SPECIFIC INFORMATION

California Insurance Company

Conservation Order: November 4, 2019

2025 Report

California Insurance Company ("CIC") was placed into Conservation on November 4, 2019 by the California Superior Court for the County of San Mateo. The Conservator was appointed to address and resolve certain regulatory concerns related to CIC's initial attempt to exit the California market without the necessary prior regulatory approval to do so. The Conservator has developed a comprehensive rehabilitation plan to address the issues with CIC and their desire to re-domesticate outside California. The Conservator has argued his rehabilitation plan before the San Mateo Superior Court as well as the First Appellate District Court of California.

Following the favorable ruling from the First Appellate Court affirming the Conservator's rehabilitation plan, CIC's former management thereafter filed a writ seeking review by the California Supreme Court. The State's high court opted not to take the writ up for review thereby ending the legal opposition to the Commissioner's Rehabilitation Plan. The Conservator is now in full authority to implement the Rehabalitation Plan, and has retained Baker Tilly to conduct the role and provide the services associated with the Independent Consultant position. Baker Tilly in its capacity as Independent Consultant has retained the services of TriStar to provide claims and claims related services and expertise. Baker Tilly is currently working to develop all three settlement-option templates with historical input from from California Department of Insurance (CDI) actaries to ensure the templates reflect the plan's purposeful intent.

The replacement audit firm of Baker Tilly has finished and published their final audit reports for the years 2021, 2022, 2023 and 2024. The audit reports were essentially deemed clean with no material adverse findings that would materially affect the company's financial presentation. Two areas of continuing interest and concern are the valuation/carry value of the compamy's Real Estate Owned (REO) holdings and the resolution of unauthorized investments and/or affiliated transactions entered into without the written consent and approval of the Conservator and in violation of the Conservation order. The Omaha real estate development, and specifically the CIC holdings, will be appraised as part of the current CDI regulatory exam of the AUI group. The Conservator, together with the CDI exam and analysis staff continue to work closely with the New Mexico and Texas insurance regulatory staff coordinating efforts to bring the entire Omaha based insurance group into regulatory compliance and to coordinate an efficient/compliant transition of CIC out of California and into New Mexico as a domestic insurer.

California Ins Co

ASSETS

As of December 31, 2024 and December 31, 2025

ASSETS	12/31/2024	12/31/2025
Cash and investments	$1,655,257,011	$2,035,760,255
Other assets	174,219,671	89,308,674
Total assets	$1,829,476,682	$2,125,068,929

LIABILITIES

As of December 31, 2024 and December 31, 2025

LIABILITIES	12/31/2024	12/31/2025
Claims against policies	$679,415,346	$891,607,848
All other claims	555,280,546	643,019,195
Total liabilities	1,234,695,892	1,534,627,043
Net assets (deficiency)	$594,780,790	$590,441,886

INCOME

For Year Ended December 31, 2025

INCOME	2024	2025
Net premium income	$617,869,491	$702,857,661
Investment income	15,122,174	75,952,304
Other income	(547,332)	4,943
Total income	$632,444,333	$778,814,908

EXPENSES
For Year Ended December 31, 2025

EXPENSES	2024	2025
Loss and claims expenses	$649,260,597	$799,231,006
Federal income tax expenses	12,924,192	(11,284,706)
Total expenses	662,184,789	787,946,300
Net income (loss)	($29,740,456)	($9,131,392)

CastlePoint National Insurance Company

Conservation Order: July 28, 2016
Liquidation Order: April 1, 2017

2025 Report

CastlePoint National Insurance Company (CastlePoint) was a California domiciled property and casualty insurer that was placed into Conservation on July 28, 2016 and Liquidation effective April 1, 2017 by the San Francisco Superior Court.

CastlePoint is the successor by merger with the following companies prior to Conservation:

Tower Insurance Company of New York

Tower National Insurance Company

CastlePoint Florida Insurance Company

Massachusetts Homeland Insurance Company

York Insurance Company of Maine

Hermitage Insurance Company

North East Insurance Company

Preserver Insurance Company

CastlePoint Insurance Company

A Conservation and Liquidation Plan approved by the Court allowed CastlePoint to deconsolidate from its parent and from the consolidated taxpayer group. In addition, it allowed the Receiver to commute stop loss reinsurance treaties in return for a cash payment of $200 million which enabled CastlePoint to continue to make claim payments while the claim files were being prepared for the transfer to the 47 affected guaranty associations. A total of 5,977 claim files were transferred through this process.

At December 31, 2017, the estate had received in excess of 1,250 claims seeking in excess of $4.6 billion in damages. To date the Conservation and Liquidation Office (CLO) claims staff have approved 106 Class 2 Proof of Claims (POCs) and rejected 767. Additionally, 7 Class 7 POCs have been approved and 17 rejected. There remains 449 POCs to be resolved with 153 residing in Class 2. There are 296 open Class 3- 7

POCs. Those claims will be closed and the claimants will receive ‘no assets’ letters as there will be no distribution to classes below Class 2. Due to scheduling delays and court availability, the estate released a $20 million interim distribution in mid-January 2025 (planned for 2024), and thereafter received court approval to release an additional $15 million early access distribution to Class 2 creditors. The $15 million distribution was released during the fourth quarter of 2025 for a total 2025 annual distribution of $35 million. The CastlePoint estate team continues to work through the usual long-tail liquidation demands and impediments associated with determining complex policyholder exposure, administering estate reporting compliance and updating/managing legacy and stand-alone systems to efficiently bill and collect reinsurance assets. The estate continues to rely on legacy information and documentation (systems) to properly analyze priority and/or complex policy claims received through the POC process. The estate received approval of its annual fee filings at the same time the estate filed for its distribution relief (2025 Distribution and Fee Application).

CastlePoint National Ins Co

ASSETS

As of December 31, 2024 and December 31, 2025

ASSETS	12/31/2024	12/31/2025
Cash and investments	$264,908,200	$224,348,600
Recoverable from reinsurers	205,116,800	191,887,000
Other assets	16,819,900	16,744,700
Total assets	486,844,900	432,980,300

LIABILITIES

As of December 31, 2024 and December 31, 2025

LIABILITIES	12/31/2024	12/31/2025
Secured claims and accrued expenses	105,500	124,800
Claims against policies, before distributions	1,117,567,300	1,104,599,100
Less distributions to policyholders	(342,349,900)	(377,391,600)
All other claims	64,676,000	46,908,600

LIABILITIES	12/31/2024	12/31/2025
Secured claims and accrued expenses	105,500	124,800
Total liabilities	839,998,900	774,240,900
Net assets (deficiency)	(353,154,000)	(341,260,600)

INCOME
As of December 31, 2024 and December 31, 2025

INCOME	2024	2025
Investment income	$14,822,500	$10,365,100
Salvage and other recoveries	249,600	19,476,000
Total income	15,072,100	29,841,100

EXPENSES
As of December 31, 2024 and December 31, 2025

EXPENSES	2024	2025
Loss and claims expenses	9,437,900	13,764,100
Administrative expenses	3,933,100	4,183,600
Total expenses	13,371,000	17,947,700
Net income (loss)	1,701,000	11,893,400

CHANGE IN ASSETS AVAILABLE FOR DISTRIBUTION

Beginning monetary assets at takeover	$519,264,000
Recoveries, net of expenses	82,476,200
Distributions	(377,391,600)
Monetary assets available for distribution	$224,348,600

Crusader Insurance Company

Conservation Order: June 7, 2023

2025 Report

Crusader Insurance Company was placed into Conservation on June 7, 2023 after being found to be operating in hazardous financial condition. The Conservator has established and continues weekly oversight and control of the estate's run-off operations in Calabasas.

The Conservator has honored the December 31, 2025 retention payouts (6 retained employees), and has entered into new retention agreements through March 31, 2026. The estate recently reduced its retained employee count to six after releasing two additional claims staff and will remain at this level working into 2026. The Conservator will consider the estate's office needs during the second quarter while continuing to lease its current space at favorable terms through June 30, 2026.

Crusader has filed their December 31, 2025 annual statement and reported policyholders' surplus of approximately $680,000. The estate continues to incur legal and claim adjustment expenses as the final cases remain open longer. With approximately 35 claims still open, the estate still reports approximately $7.5 million in remaining loss & expense reserves. While the estate continues to close claims, each month we still continue to receive new claims. Milliman actuaries have reviewed the December 31, 2025 reserves and believe that they are fairly stated. Crusader will continue its efficient claims run-off.

The Crusader estate has eliminated most all operational reliance on its parent company with the exception of certain insurance contracts still handled on a shared/prorated basis and a 401K retirement plan sponsored by Fidelity Investments. All corporate insurance renewals have been completed and coverage bound for 2026. The estate has commenced its 2025 statutory CPA audit and is working on the year-end federal labor reporting and tax return preparation for the retirement plan.

Crusader Ins Co

ASSETS
As of December 31, 2024 and December 31, 2025

ASSETS	12/31/2024	12/31/2025
Cash and investments	$14,326,899	$7.878,369
Other assets	2,632,651	(399,408)
Total assets	$16,959,550	$7,478,961

LIABILITIES
As of December 31, 2024 and December 31, 2025

LIABILITIES	12/31/2024	12/31/2025
Claims against policies	$13,991,001	$6,639,000
All other claims	183,839	159,605
Total liabilities	14,174,840	6,798,605
Net assets (deficiency)	$2,784,710	$680,356

INCOME
For Year Ended December 31, 2025

INCOME	2024	2025
Net premium income	$0	$0
Investment income	955,072	389,587
Other income	328	284
Total income	$995,400	$389,871

EXPENSES
For Year Ended December 31, 2025

EXPENSES	2024	2025
Loss and claims expenses	$4,190,991	$3,029,467
Federal income tax expenses	-	-
Total expenses	4,190,991	3,029,467
Net income (loss)	($3,195,591)	($2,639,596)

First American Title Company of Napa

Conservation Order: December 22, 2025

2025 Report

Napa Title was placed into Conservation on December 22, 2025 due to the Company being found to be operating in hazardous financial condition and unable to comply with the financial net worth requirements of the California Insurance Code. Napa Title filed its last monthly financial statement as of November 30, 2024. In that November 2024 statement the title company reported a negative net worth of <$7,570,000> and negative working capital of<$8,421,000>.

The Conservation and Liquidation Office (CLO) has secured the title company's two physical locations, and now have control over the company's bank accounts, data and information systems (including its title plant), facilities and essential vendor relationships. Notices of the conservation proceeding have been provided to key or sensitive constituents to the estate including the company's 401K trustee and custodian.

There are approximately 450 open escrows with some amount of funds being held in trust for the benefit of certain parties to the respective transaction. The escrowed trust balances were reconciled at year-end 2025 and our monitored monthly to ensure they remain in trust. The CLO with the assistance of two part-time consultants familiar with the company's operations and systems have commenced addressing a number of requests from consumers as well as seek to release funds in accordance with the existing escrow demands. The estate is also working to prepare the company policy/plant data for use in addressing all remaining open escrows.

The Conservator is seeking sell Napa Title's comprehensive title plant system/archive. All interested parties have been provided detailed due diligence materials and access for physical inspection. The Conservator will make an election in early 2026 and seek court approval of the contemplated transaction.

The conservation estate is also working to achieve a comprehensive settlement of certain litigation between First America Title Company (FATCO) and Napa Title currently pending in Federal District Court in California.

The title company owes an estimated $1.2 million in known vendor obligations.

First American Title Company of Napa

ASSETS
As of October 31, 2025

ASSETS	10/31/2025
Cash and investments	$172,539
Other assets	1,559,644
Total assets	$1,732,183

LIABILITIES
As of October 31, 2025

LIABILITIES	10/31/2025
Current liabilities	$10,045,222
Long term liabilities	2,365,815
Total liabilities	12,411,037
Shareholder Equity	27,235
Net assets (deficiency)	($10,706,089)
Retain Earnings/Net Income	($10,706,089)

Fremont Indemnity Company

Conservation Order: June 04, 2003
Liquidation Order: July 02, 2003

2025 Report

Fremont released an $83.4 million final distribution to approved Class 2 creditors on September 26, 2019. The distribution paid 43.25% of approved policyholder claims. The estate completed all customary post distribution and closing activities in 2020. The estate remains administratively closed before the Court. In accordance with it's 2019 closing order, the dormant estate continues to collect periodic annuity payments which, when coupled with other recent recoveries, will lead to a further distribution. At year-end 2025 the estate held approximtely $8.2 million. Planning for a distribution will commence in late 2026 for an early 2027 distribution.

Fremont Indemnity Co

ASSETS
As of December 31, 2024 and December 31, 2025

ASSETS	12/31/2024	12/31/2025
Cash and investments	$7,416,600	$8,173,700
Other assets	67,200	67,200
Total assets	7,483,800	8,240,900

LIABILITIES
As of December 31, 2024 and December 31, 2025

LIABILITIES	12/31/2024	12/31/2025
Secured claims and accrued expenses	32,300	32,300
Claims against policies, before distributions	2,532,388,200	2,532,388,200
Less distributions to policyholders	(1,106,139,400)	(1,106,139,400)
All other claims	221,395,500	221,395,500
Total liabilities	1,647,676,600	1,647,676,600
Net assets (deficiency)	($1,641,003,800)	($1,639,435,700)

INCOME
For Year Ended December 31, 2024 and 2025

INCOME	2024	2025
Investment income	$307,300	$407,000
Salvage and other recoveries	286,900	26,000
Total income	594,200	433,000

EXPENSES
For Year Ended December 31, 2024 and 2025

EXPENSES	2024	2025
Loss and claims expenses	(443,900)	(502,800)
Federal Income Tax expense	122,000	72,000
Administrative expenses	105,200	106,700
Total expenses	(216,700)	(324,100)
Net income (loss)	810,900	757,100

CHANGE IN ASSETS AVAILABLE FOR DISTRIBUTION

Beginning monetary assets at takeover	$434,855,900
Recoveries, net of expenses	679,457,200
Distributions	(1,106,139,400)
Monetary assets available for distribution	$8,173,700

Golden Eagle Insurance Company

Conservation Order: January 31, 1997
Rehab/Liquidation Plan Approved: August 4, 1997
Liquidation Order: February 18, 1998

2025 Report

Golden Eagle Insurance Company (Golden Eagle) is the subject of a Plan of Rehabilitation and Liquidation (Plan) approved by the Superior Court in 1997. The Plan provides for an orderly “run-off” of claims under Golden Eagle’s pre-1997 insurance policies, a process which is ongoing.

As part of the process to run off the remainder of the Golden Eagle estate, additional reinsurance coverage was purchased from Liberty Mutual affiliates to cover all the remaining covered insurance policy exposures. Golden Eagle’s insurance liabilities are fully funded under the Plan eliminating the need for a formal finding of insolvency, and thus have not triggered the claim payment obligations of the Insurance Guaranty Associations (IGAs). Under the court approved Plan these claims will continue to be received, adjusted, and paid in the ordinary course of the run-off of Golden Eagle’s policyholder liabilities. The IGAs remain as a back-up, in the unlikely event that the claims payment assets available under the Plan are exhausted prior to the final policyholder claim payment.

All remaining policyholder claims continue to be administered and paid under the Plan’s indemnity reinsurance and excess of loss reinsurance agreements all within the range of expected cost and reinsurance coverage. The Plan agreements will remain in full force and effect until the entire remaining exposure is paid, assumed, or novated.

Currently the legal proceeding is administratively closed on the active court docket, yet the Golden Eagle Estate must remain open to monitor the long-term claim run-off and to give policyholders access to appeal rights through the OSC process that is incorporated into the Plan.

The only assets that remain in the estate consist of a reserve to fund the administrative expenses that the Conservation and Liquidation Office (CLO) will incur while monitoring the duration of the run off process. There have been no adverse developments or variances to report in 2025.

Golden Eagle Ins Co

ASSETS
As of December 31, 2024 and December 31, 2025

ASSETS	12/31/2024	12/31/2025
Cash and investments	$1,311,800	$1,347,900
Total assets	1,311,800	1,347,900

LIABILITIES
As of December 31, 2024 and December 31, 2025

LIABILITIES	12/31/2024	12/31/2025
Total liabilities	-	-
Net assets (deficiency)	$1,311,800	$1,347,900

INCOME
For Year Ended December 31, 2024 and 2025

INCOME	2024	2025
Investment income	$57,700	$70,100
Total income	57,700	70,100

EXPENSES
For Year Ended December 31, 2024 and 2025

EXPENSES	2024	2025
Administrative expenses	30,200	34,100
Total expenses	30,200	34,100
Net income (loss)	$27,500	$36,000

CHANGE IN ASSETS AVAILABLE FOR DISTRIBUTION

Beginning monetary assets at takeover*	$2,029,000
Recoveries, net of expenses	(681,100)
Monetary assets available for distribution	$1,347,900

*As of December 31, 2006, when Golden Eagle's estate accounting was transferred to the CLO.

Mission Insurance Company
Conservation Order: October 31, 1985
Liquidation Order: February 24, 1987

Mission National Insurance Company
Conservation Order: November 26, 1985
Liquidation Order: February 24, 1987

2025 Report

In accordance with a 2006 court approved closing plan, the Mission estates completed a final policyholder distribution in 2006 whereby all policyholder claimants for Mission, Mission National and Enterprise were paid 100% of their approved claim. As of year-end 2020, the general creditors of the Mission estate have unsatisfied portions remaining on their approved claims.

The Mission estates participate as members of a consolidated tax group (Covanta being the parent) and, as such, are joint and severally liable for the tax exposure of the group. The Mission estate has been indemnified from certain tax and tax related exposure by the ultimate taxpayer.

After legal counsel for the estate reached an agreement with the United States Department of Justice and the Environmental Protection Agency (EPA) on a Federal Waiver settlement and release, the Estates made a material distribution in 2017 to all creditors. In November of 2019, the Mission estate received a material distribution from the receivership estate of Centaur insurance in Illinois. In November 2020, the Mission estate completed a distribution of approximately $49.5 million to creditors. From inception of the trusts, the Mission estates have distributed a cumulative total of approximately $1.4 billion.

The three Mission Trusts still have potential multi-million dollar recoveries due from the Holland America liquidation estate in Missouri, but the Mission Trust’s approved proofs of claim are subject to the Missouri liquidation estate obtaining a release of liability from the federal government.

Counsel for the Mission Trusts has reported that the Missouri liquidation reports the federal government has exchanged settlement terms with legal counsel for Holland America. Mission estate legal counsel continues to offer support and remains ready to participate in any discussions aimed at a final agreement. The Mission Trusts were extended another year after a hearing in late December 2025. Subject to collecting on the final pending proofs of claim, the Trusts will continue to distribute estate assets upon recovery in accordance with the comprehensive 2006 Mission closing order. There are no immediate distributions planned for the trusts.

Mission Ins Co

ASSETS

As of December 31, 2024 and December 31, 2025

ASSETS	12/31/2024	12/31/2025
Cash and Investments	$2,354,100	$2,276,600
Recoverable from reinsurers	649,700	649,700
Other assets	23,816,400	23,816,400
Total Assets	26,820,200	26,742,800

LIABILITIES

As of December 31, 2024 and December 31, 2025

LIABILITIES	12/31/2024	12/31/2025
Secured claims and accrued expenses	$1,414,400	$1,414,400
Claims against policies, before distributions	846,832,600	846,832,600
Less distributions to policyholders	(846,832,600)	(846,832,600)
All other claims	74,061,200	74,061,200
Total liabilities	75,475,600	75,475,600
Net assets (deficiency)	(48,655,400)	(48,732,800)

INCOME

As of December 31, 2024 and December 31, 2025

INCOME	2024	2025
Investment income	$106,100	$114,700
Salvage and other recoveries	1,300	-
Total Income	107,400	114,700

EXPENSES

As of December 31, 2024 and December 31, 2025

EXPENSES	2024	2025
Administrative expenses	$650,100	$192,200
Total expenses	650,100	192,200
Net income (loss)	(542,700)	(77,500)

CHANGE IN ASSETS AVAILABLE FOR DISTRIBUTION

Beginning monetary assets at takeover	$133,667,000
Recoveries, net of expenses	1,105,594,800
Distributions	(1,236,985,200)
Monetary assets available for distribution	$2,276,600

Mission National Ins Co

ASSETS

As of December 31, 2024 and December 31, 2025

Assets	12/31/2024	12/31/2025
Cash and Investments	$3,514,300	$3,681,500
Recoverable from reinsurers	1,793,200	1,793,200
Total assets	5,307,500	5,474,700

LIABILITIES

As of December 31, 2024 and December 31, 2025

Liabilities	12/31/2024	12/31/2025
Secured claims and accrued expenses	1,501,700	1,501,700
Claims against policies, before distributions	596,098,500	596,098,500
Less distributions to policyholders	(536,482,600)	(536,482,600)
All other claims	16,838,100	16,838,100
Total liabilities	77,955,700	77,955,700
Net assets (deficiency)	($72,648,200)	($72,481,000)

INCOME

For Year Ended December 31, 2024 and 2025

Income	2024	2025
Investment income	$151,900	$187,300
Salvage and other recoveries	83,900	83,200
Total income	235,800	270,500

EXPENSES

For Year Ended December 31, 2024 and 2025

Expenses	2024	2025
Administrative expenses	91,700	103,300
Total expenses	91,700	103,300
Net income (loss)	$144,100	$167,200

CHANGE IN ASSETS AVAILABLE FOR DISTRIBUTION

Beginning monetary assets at takeover	$18,289,000
Recoveries, net of expenses	548,952,400
Distributions	(563,559,900)
Monetary assets available for distribution	$3,681,500

Real Advantage Title Insurance Company

Conservation Order: September 9, 2025

2025 Report

Real Advantage Title Insurance Company (RATIC) was placed into conservation on September 10, 2025 after being deemed to be operating in a hazardous condition. As of December 31, 2025, the company reported negative surplus of <$3.6 million>. The Conservator has taken control of the company's daily operations as well as the books and records, and has changed all bank and treasury accounts to be under the conservation umbrella.

The Conservator has provided notice to all employees, officers and shareholders. In addition, the Conservator is amassing a comprehensive policyholder list to provide further notice to those insured by the company. So far over 500,000 policyholders have been identified. Finally, the conservation estate will prepare and send notification to all active vendors.

Currently, there are approximately 40 open claims with a known loss reserve of approximately $1.2 million. The Deputy Conservator continues to work with retained RATIC staff to address and stabilize the claims runoff, with the intent to avoid liquidation.

Real Advantage Title Insurance Company

ASSETS

As of December 31, 2025

ASSETS	12/31/2025
Cash and cash equivalents	$2,807,812
Bonds	10,661,255
Real estate	1,891,185
Receivables for securities	36,004
Premiums receivable	(99,728)
Other assets	543,631
Total admitted assets	$15,840,159

LIABILITIES

As of December 31, 2025

LIABILITIES	12/31/2025
Known claim reserves	$1,353,641
Statutory premium reserve	16,234,813
Supplemental reserve	233,546
Accounts payable and accrued liabilities	664,278
Federal income tax payable	49,661
Premium taxes payable	378,402
Other liabilities	5,006
Total liabilities	$18,919,347
Net assets (deficiency)	$(3,079,188)

REVENUES
As of December 31, 2025

REVENUES	12/31/2025
Net premiums earned	$25,877,037
Other title fees and service charges	78,360
Other income	134,988
Total revenues	$26,090,385

EXPENSES
As of December 31, 2025

EXPENSES	12/31/2025
Loss and loss adjustment expenses	7,327,300
Other operating expenses	24,647,491
Total expenses	$31,974,791
Net underwriting income	$(5,884,406)

INCOME
For Year Ended December 31, 2025

INCOME	2025
Investment income, net	$580,623
Realized investment (losses) gains, net	(34,989)
Net investment income	545,634
Net (loss) income	$(5,338,772)

Western General Insurance Company

Conservation Order: May 26, 2021
Liquidation Order: August 5, 2021

2025 Report

Western General was a property and casualty insurance company licensed to transact specialty dealer-originated and agent/broker produced non-standard private passenger automobile insurance. Most of Western General's business was written primarily through its affiliated agency All Motorists Insurance Agency (AMIA).

On August 5, 2021, Western General was declared insolvent and placed into Liquidation. All Western General policies were terminated as of September 4, 2021. The Liquidator has moved all run-off operations into the offices of the Conservation and Liquidation Office (CLO). The estate continues monthly asset recovery through the processing of reinsurance billings being fed by guaranty association loss payments. The estate has reached a mutually acceptable compromise and settlement of the arbitration proceeding reported in 2024. The estate prepared and filed the necessary pleadings and attended a hearing on January 29, 2025 where the court approved the settlement with Yosemite Re and entered an order that became final on or about April 1, 2025. The estate has collected all unpaid amounts in April 2025. Coupled with the final commutation of the PartnerRe treaty and the continuing administration of a fronting program working through its final claims (reporting minimal activity), the balance of the reinsurance program is either paid current or is being positioned for final commutation. It is anticipated the entire Western General reinsurance program will be resolved in the next year.

The CLO claims staff have reviewed all Proof of Claims (POCs) properly received for compliance/timeliness and initial priority determination. The priority continues to be the determination of all Class 2 policyholder exposure including claims with guaranty coverage and uncovered claims. The estate has received 2,601 timely submitted POCs, 2,380 are policyholder Class 2 POCs, 29 are guaranty fund Class 2 claims, one Class 6 (claims filed by the state of CA) ,188 general creditor Class 7 claims and 3 equity class demands. To date, the claims staff have approved 498 Class 2 POCs and denied 1,584 Class 2 POCs. Most denials were a result of confirming the benefits demanded have already been paid or will be paid by the participating guaranty associations. Those Class 2 insureds whose claims have been paid by the guarantee association have been notified of the denial.

The CLO, with the help of John Hancock and Liden Nestler have closed and decommissioned the estate's 401K program including a final funding in early December

2024. The Western General estate continues to rely upon 2 consultants (1 being a former employee) to assist with claims and reinsurance processing.

Western General Ins Co

ASSETS

As of December 31, 2024 and December 31, 2025

ASSETS	12/31/2024	12/31/2025
Cash and investments	$35,031,400	$38,925,900
Recoverable from reinsurers	1,448,500	388,600
Other assets	11,100	11,100
Total assets	36,491,000	39,325,600

LIABILITIES

As of December 31, 2024 and December 31, 2025

LIABILITIES	12/31/2024	12/31/2025
Secured claims and accrued expenses	1,130,400	1,130,400
Claims against policies, before distributions	33,463,600	33,533,900
All other claims	5,927,900	8,959,700
Total liabilities	40,521,900	43,624,000
Net assets (deficiency)	($4,030,900)	($4,298,400)

INCOME

For Year Ended December 31, 2024 and 2025

INCOME	2024	2025
Investment income	$1,813,300	$463,700
Salvage and other recoveries	61,500	18,100
Total income	1,874,800	481,800

EXPENSES
For Year Ended December 31, 2024 and 2025

EXPENSES	2024	2025
Loss and claims expenses	32,825,700	(791,900)
Administrative expenses	2,737,200	1,541,100
Total expenses	35,562,900	749,200
Net income (loss)	($33,688,100)	($267,400)

CHANGE IN ASSETS AVAILABLE FOR DISTRIBUTION

Beginning monetary assets at year 2022	$19,846,800
Recoveries, net of expenses	19,079,100
Distributions	-
Monetary assets available for distribution	$38,925,900

SECTION THREE – CROSS REFERENCES TO CALIFORNIA INSURANCE CODE (CIC)

CIC Section 1035 – Deputy Commissioners, clerks, and assistants, and executive officers; chief executive officer of Conservation and Liquidation Office

(a) In any proceeding under this article, the commissioner may appoint and employ under his or her hand and official seal, special deputy commissioners, as his or her agents, and to employ clerks and assistants and to give to each of them those powers that he or she deems necessary. Upon appointing or employing special deputy commissioners or executive officers, the commissioner shall notify the Chair of the Joint Legislative Budget Committee, by letter, of the action. The costs of employing special deputy commissioners, clerks, and assistants appointed to carry out this article, and all expenses of taking possession of, conserving, conducting, liquidating, disposing of, or otherwise dealing with the business and property of that person under this article, shall be fixed by the commissioner, subject to the approval of the court, and shall be paid out of the assets of that person to the department. In the event the property of that person does not contain cash or liquid assets sufficient to defray the cost of the services required to be performed under the terms of this article, the commissioner may at any time or from time to time pay the cost of those services out of the appropriation for the maintenance of the department, but not out of the assets of other estates. Any amounts so paid shall be deemed expenses of administration and shall be repaid to the fund out of the first available moneys in the estate.

CIC Section 1060 - The Commissioner shall transmit all of the following to the Governor, the Legislature, and to the committees of the Senate and Assembly having jurisdiction over insurance in the annual report submitted pursuant to Section 12922:

(a) The names of the persons proceeded against under this article.

(b) Whether such persons have resumed business or have been liquidated or have been mutualized.

(c) Such other facts on the operations of the Conservation & Liquidation Office as will acquaint the Governor, the policyholders, creditors, shareholders and the public with his or her proceedings under this article, including, but not limited to:

(1) An itemization of the number of staff, total salaries of staff, a description of the compensation methodology, and an organizational flowchart.

(2) Annual operating goals and results.

(3) A summary of all Conservation and Liquidation Office costs, including an itemization of internal and external costs, and a description of the methodology used to allocate those costs among insurer estates.

(4) A list of all current insolvencies not closed within ten years of a court ordered liquidation, and a narrative explaining why each insolvency remains open.

(5) An accounting of total claims by estate.

(6) A list of current year and cumulative distributions by class of creditor for each estate.

(7) For each proceeding, the net value of the estate at the time of conservation or liquidation and the net value at the end of the preceding calendar year.

(d) Other facts on the operations of the individual estates as will acquaint the Governor, Legislature, policyholders, creditors, shareholders, and the public with his or her proceedings under this article, including, but not limited to:

(1) The annual operating goals and results.

(2) The status of the conservation and liquidation process.

(3) Financial statements, including current and cumulative distributions, comparing current calendar year to prior year.