

Velva L. Price
District Clerk
Travis County
D-1-GN-16-000360
Kyla Crumley

CAUSE NO. D-1-GN-16-000360

THE STATE OF TEXAS	§	IN THE DISTRICT COURT OF
<i>Plaintiff,</i>	§	
	§	
v.	§	TRAVIS COUNTY, TEXAS
	§	
MILLENNIUM CLOSING SERVICES, LLC	§	
D/B/A MILLENNIUM TITLE	§	
<i>Defendant.</i>	§	53 rd JUDICIAL DISTRICT

**SPECIAL DEPUTY RECEIVER'S QUARTERLY FINANCIAL REPORT AND
SUMMARY STATEMENT OF EXPENSES
(DECEMBER 1, 2019 THROUGH FEBRUARY 29, 2020)**

TO THE HONORABLE DISTRICT COURT:

CANTILO & BENNETT, L.L.P., solely in its capacity as the Special Deputy Receiver of Millennium Closing Services, LLC d/b/a Millennium Title (the “SDR” and “Millennium” respectively), files this Financial Report and Summary Statement of Expenses of the receivership estate for the period of December 1, 2019 to February 29, 2020. The attached report is filed pursuant to TEX. INS. CODE ANN., §§ 443.015(g) and 443.016(a) and the Court’s Order Approving the SDR’s Application for Approval of Fees and Expenses, entered on March 24, 2016.

The Special Deputy Receiver has served this Quarterly Financial Report to all known parties at interest, as shown in the certificate of service.

Respectfully submitted,

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Special Deputy Receiver of Millennium Closing
Services, L.L.C. d/b/a Millennium Title**

CERTIFICATE OF SERVICE

I certify that on March 16, 2020, a true and correct copy of this SPECIAL DEPUTY RECEIVER'S QUARTERLY FINANCIAL REPORT AND SUMMARY STATEMENT OF EXPENSES (DECEMBER 1, 2019 TO FEBRUARY 29, 2020) was served pursuant to the Order of Reference, Texas Rules of Civil Procedure, TEX. INS. CODE ANN. SEC. 443.007(d) and the Court's order on electronic service on the following by email, except as specifically otherwise noted.

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**Millennium Title
Statement of Expenses**

**For Period Ending
02/29/20**

	Total Dec	Total Jan	Total Feb	Total Quarter
SDR				
Cantilo & Bennett, LLP				
Partner/Attorney/	5,420.00	6,240.00	5,160.00	16,820.00
Receivership Specialist	96.00	60.00	0.00	156.00
Expenses	4.50	6.15	9.60	20.25
Total SDR Billing	5,520.50	6,306.15	5,169.60	16,996.25
SDR Subcontractors - Legal				
Fuller Law Group				
Attorney	6,100.00	2,525.00	850.00	9,475.00
Expenses	19.98	0.00	0.00	19.98
Total Billing	6,119.98	2,525.00	850.00	9,494.98
Inquest Resources				
Paralegal	315.00	15.00	0.00	330.00
Receivership Specialist	375.00	307.50	0.00	682.50
Litigation Assistant/Records Mgr	40.50	72.00	0.00	112.50
Litigation Assistant/Records Mgr Travel	0.00	29.25	0.00	29.25
Expenses	2.60	0.00	0.00	2.60
Total Billing	733.10	423.75	0.00	1,156.85
Total Legal Subcontractors	6,853.08	2,948.75	850.00	10,651.83
SDR Subcontractors - Other				
Petrosewicz & Company, Inc				
Accountant-Principal/	342.00	1,746.00	1,080.00	3,168.00
Accountant	672.00	73.50	0.00	745.50
Accountant	450.00	675.00	720.00	1,845.00
Clerical/	0.00	30.00	0.00	30.00
Expenses	15.50	28.47	21.15	65.12
Total Billing	1,479.50	2,552.97	1,821.15	5,853.62
Abaci, Inc.				
Technical Analyst	369.00	405.00	828.00	1,602.00
Expenses	0.00	0.00	0.00	0.00
Total Billing	369.00	405.00	828.00	1,602.00
EMKAY Associates				
Claims Manager/	0.00	0.00	0.00	0.00
Claims Representative/	263.50	357.00	535.50	1,156.00
Claims Representative	76.50	161.50	3,332.00	3,570.00
Expenses	0.00	0.00	0.00	0.00
Total Billing	340.00	518.50	3,867.50	4,726.00
Total Other SDR Subcontractors	2,188.50	3,476.47	6,516.65	12,181.62

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Millennium Title
Statement of Expenses

For Period Ending
02/29/20

	Total Dec	Total Jan	Total Feb	Total Quarter
Receivership Service Providers				
Claims/Administration Support-Contract Personnel A. Sena-Claims	0.00	759.38	0.00	759.38
IMA Inc-SDR Bond	1,200.00	0.00	0.00	1,200.00
Microsoft - Exchange Email Services	0.00	34.12	17.06	51.18
Inventory Moving and Storage-Armstrong Archives	58.03	0.00	116.06	174.09
Willow Bend Systems (IT Support)	2,585.25	2,585.25	2,585.25	7,755.75
Fusion-Telephone Services	0.00	98.52	48.96	147.48
Answer National-Telemessaging Service	295.00	295.00	295.00	885.00
Operating Account Bank Charges	0.00	24.00	0.00	24.00
Texas Treasury 191	30.51	10.17	10.17	50.85
Texas Treasury APF Account 192	44.46	22.46	22.46	89.38
Total Other	4,213.25	3,828.90	3,094.96	11,137.11
Sub-Total SDR, Subcontractor & Provider Expenses				
Sub-Total SDR, Subcontractor & Provider Expenses	18,775.33	16,560.27	15,631.21	50,966.81
Liquidation Oversight Allocation				
RLO Allocation	0.00	0.00	0.00	0.00
Special Master's Fees	0.00	280.00	80.00	360.00
Total RLO & SM Expense	0.00	280.00	80.00	360.00
Total Expenses	18,775.33	16,840.27	15,711.21	51,326.81

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**Millennium Title
Statement of Net Assets**

**For the Period Ending
02/29/20**

Line		02/29/20
Cash		
1	Cash	
	Cash - Unrestricted	160,950
	APF Funds (Loan proceeds)	737,431
Investments		
2	Short-Tem Investments	
3	Bonds	
4	Stocks - Preferred & Common	
5	Investments in Subsidiaries, Controlled or Affiliated Entities	
6	Mortgage Loans	
7	Real Estate	
8	Policy Loans	
9	Other Invested Assets	
Restricted Assets		
10	Statutory Deposits	
11	Funds held by or deposited with Reinsured Companies	
12	Restricted - Other	
	Funds Held for Others-Escrow Account	63,295
Reinsurance Receivable		
13	Reinsurance Recoverables on Paid Losses & LAE (net of allowance)	
14	Reinsurance Recoverables on Unpaid Losses & LAE (net of allowance)	
15	Reinsurance Recoverables on UEP & Contingent Commissions	
Other Receivables		
16	Salvage & Subrogation Recoveries	
17	Premiums Due from Agents & Policyholders	
18	Receivable from Parents, Subsidiaries & Affiliates	
19	Receivable from Guaranty Associations - Early Access Payments	
20	Other Receivables	
Other Assets		
21	FF&E	
22	Other Assets	
	Total Assets	961,676

NOTES

Ref No.

12 Represents funds obtained from pre receivership escrow accounts that were transferred to a restricted Frost Bank account maintained by the Special Deputy Receiver.

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Millennium Title
Changes in Net Assets for the Quarter Ending

02/29/20

Line		11/30/19	02/29/20	Change
Cash				
1	Cash			
	Cash - Unrestricted	77,268	160,950	83,682
	APF Funds (Loan proceeds)	734,770	737,431	2,661
Investments				
2	Short-Tem Investments	0	0	0
3	Bonds	0	0	0
4	Stocks - Preferred & Common	0	0	0
5	Investments in Subsidiaries, Controlled or Affiliated Entities	0	0	0
6	Mortgage Loans	0	0	0
7	Real Estate	0	0	0
8	Policy Loans	0	0	0
9	Other Invested Assets	0	0	0
Restricted Assets				
10	Statutory Deposits	0	0	0
11	Funds held by or deposited with Reinsured Companies	0	0	0
12	Restricted - Other	0	0	0
	Funds Held for Others-Escrow Account	184,366	63,295	(121,071)
Reinsurance Receivable				
13	Reinsurance Recoverables on Paid Losses & LAE (net of allowance)	0	0	0
14	Reinsurance Recoverables on Unpaid Losses & LAE (net of allowance)	0	0	0
15	Reinsurance Recoverables on UEP & Contingent Commissions	0	0	0
Other Receivables				
16	Salvage & Subrogation Recoveries	0	0	0
17	Premiums Due from Agents & Policyholders	0	0	0
18	Receivable from Parents, Subsidiaries & Affiliates	0	0	0
19	Receivable from Guaranty Associations - Early Access Payments	0	0	0
20	Other Receivables	0	0	0
Other Assets				
21	FF&E	0	0	0
22	Other Assets	0	0	0
	Total Assets	996,404	961,676	(34,728)

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**Millennium Title
Statement of Net Liabilities**

**For Period Ending
02/29/20**

Line		02/29/20
1	Secured Claims	
2	APF Loan	1,000,000
3	Special Deposit Claims	
Administrative Claims - Class 1		
4	Administrative Claims - State/Receiver	
	Special Deputy Receiver, Subcontractors Fees & Expenses	12,536
	Liquidation Oversight	
	Special Master's Fees	80
5	Administrative Claims - Guaranty Assns	
	Administrative Expense Paid	472,785
	Administrative Expense Reserves	
6	LAE - Guaranty Assns	
	LAE Paid	
	LAE Reserves	
Policy Claims - Class 2		
7	Loss Claims - Guaranty Assns	
	Loss Claims Paid	3,573,727
	Loss Claims Reserves	
8	Loss Claims - Other	
	Other Loss Claims Paid	
	Other Loss Claims Reserves	
9	LAE - Other	
10	Unearned & Advance Premium Claims - GA	
11	Unearned & Advance Premium Claims - Other	
Other Liabilities		
12	Class 3 Claims	
13	Class 4 Claims	
14	Class 5 General Unsecured Creditor Claims	209,618
15	Class 5 Reinsurance Related Unsecured Claims	
16	Class 6 Claims	
17	Class 7 Claims	
18	Class 8 Claims	
19	Class 9 Claims	
20	Class 10 Interest	
21	Class 11 Claims	
22	Other Liabilities	
	Funds Held for Others	63,295
	Total Liabilities	5,332,041
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities	(4,370,365)
	Total Liabilities & Equity	961,676

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**Millennium Title
Statement of Net Liabilities**

**For Period Ending
02/29/20**

NOTES

All amounts recorded based on adjudicated claims unless otherwise specified

Ref. No.

- 5 Represents amount reflected on Texas Title Insurance Guaranty Association (TTIGA) timely filed proof of claim (POC) and POC supplement dated August 24, 2017.

- 7 Represents amount reported on the Texas Title Insurance Guaranty Association (TTIGA) Supplement to Proof of Claim dated August 24, 2017. This amount supersedes the Final Claims Report as of May 31, 2017 and dated June 7, 2017. TTIGA originally filed a timely Proof of Claim (POC) in October 2016 reflecting \$3,376,349.75 as claims paid.

- 14 Represents amounts due to pre-receivership vendors obtained from pre-receivership accounting records.

- 22 Represents amounts identified as Escrow funds that are maintained in a restricted receivership account at Frost Bank. These amounts continue to be reviewed and analyzed in conjunction with TTIGA.

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Millennium Title
Changes in Net Liabilities for the Quarter Ending

02/29/20

Line		11/30/19	02/29/20	Change
1	Secured Claims			
2	APF Loan	1,000,000	1,000,000	0
3	Special Deposit Claims	0	0	0
Administrative Claims - Class 1				
4	Administrative Claims - State/Receiver	0	0	0
	Special Deputy Receiver, Subcontractors Fees & Expenses	9,619	12,536	2,917
	Liquidation Oversight	0	0	0
	Special Master's Fees	0	80	80
5	Administrative Claims - Guaranty Assns	0	0	0
	Administrative Expense Paid	472,785	472,785	0
	Administrative Expense Reserves	0	0	0
6	LAE - Guaranty Assns	0	0	0
	LAE Paid	0	0	0
	LAE Reserves	0	0	0
Policy Claims - Class 2				
7	Loss Claims - Guaranty Assns	0	0	0
	Loss Claims Paid	3,573,727	3,573,727	0
	Loss Claims Reserves	0	0	0
8	Loss Claims - Other	0	0	0
	Other Loss Claims Paid	0	0	0
	Other Loss Claims Reserves	0	0	0
9	LAE - Other	0	0	0
10	Unearned & Advance Premium Claims - GA	0	0	0
11	Unearned & Advance Premium Claims - Other	0	0	0
Other Liabilities				
12	Class 3 Claims	0	0	0
13	Class 4 Claims	0	0	0
14	Class 5 General Unsecured Creditor Claims	209,618	209,618	0
15	Class 5 Reinsurance Related Unsecured Claims	0	0	0
16	Class 6 Claims	0	0	0
17	Class 7 Claims	0	0	0
18	Class 8 Claims	0	0	0
19	Class 9 Claims	0	0	0
20	Class 10 Interest	0	0	0
21	Class 11 Claims	0	0	0
22	Other Liabilities	0	0	0
	Funds Held for Others	184,366	63,295	(121,071)
	Total Liabilities	5,450,115	5,332,041	(118,074)
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities	(4,453,711)	(4,370,365)	83,346
	Total Liabilities & Equity	996,404	961,676	(34,728)

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**Millennium Title
Sources & Uses of Cash**

**For Period Ending
02/29/20**

	Qtr Ending Feb-20
Income	
Premium Receipts	0
Agents' Balances Received	0
Reinsurance Recoveries	0
Salvage & Subrogation Recoveries	0
Affiliates Recovery	0
Settlement/Litigation Recovery	0
Other Receipts	131,884
Sale of Real & Personal Property	0
Investment Sales/Receipts	0
Other Asset Receipts	0
Total Receipts from Assets/Receivables	131,884
Interest & Dividend Receipts, EA Interest	0
Cash Deposit Interest	2,788
Total Cash Receipts	134,672
Disbursements	
SDR Fees & Expenses	15,523
Subcontractor Legal Fees & Expenses	14,017
Subcontractor Other Fees & Expenses	7,373
Non-Subcontractor Fees & Expenses	759
Other Expenses	10,377
RLO Fees & Expenses	280
Total Disbursements for Operations	48,329
Loss Claims & LAE Expense Payments	0
Early Access Payments - GA	0
Refunds & Other Distributions	0
Total Cash Distributions	0
Total Cash Disbursements & Distributions	48,329
Net Increase(Decrease) in Cash	86,343
Cash at Beginning of Period	812,038
Cash at End of Period	898,381