

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
(JUNE 1, 2020 THROUGH AUGUST 31, 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 June 1, 2020 to August 31, 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 September 15, 2020, a true and correct copy of this SPECIAL DEPUTY RECEIVER'S QUARTERLY FINANCIAL REPORT AND SUMMARY STATEMENT OF EXPENSES (JUNE 1, 2020 TO AUGUST 31, 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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/s/Christopher Fuller

Christopher Fuller

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**Millennium Title
Statement of Expenses**

**For Period Ending
08/31/20**

	Total Jun	Total Jul	Total Aug	Total Quarter
SDR				
Cantilo & Bennett, LLP				
Partner/Attorney/	4,240.00	5,940.00	6,300.00	16,480.00
Clerical Law	0.00	0.00	0.00	0.00
Receivership Specialist	24.00	144.00	60.00	228.00
Expenses	12.50	10.00	4.50	27.00
Total SDR Billing	4,276.50	6,094.00	6,364.50	16,735.00
SDR Subcontractors - Legal				
Fuller Law Group				
Attorney	600.00	4,475.00	4,575.00	9,650.00
Expenses	6.66	0.00	0.00	6.66
Total Billing	606.66	4,475.00	4,575.00	9,656.66
Inquest Resources				
Paralegal	0.00	0.00	172.50	172.50
Receivership Specialist	127.50	0.00	0.00	127.50
Litigation Assistant/Records Mgr	18.00	0.00	0.00	18.00
Litigation Assistant/Records Mgr Travel	0.00	0.00	0.00	0.00
Expenses	5.80	0.00	0.00	5.80
Total Billing	151.30	0.00	172.50	323.80
Total Legal Subcontractors	757.96	4,475.00	4,747.50	9,980.46
SDR Subcontractors - Other				
Petrosewicz & Company, Inc				
Accountant-Principal/	576.00	2,214.00	1,548.00	4,338.00
Accountant	0.00	0.00	21.00	21.00
Accountant	819.00	567.00	594.00	1,980.00
Clerical/	0.00	18.00	33.00	51.00
Expenses	29.18	47.95	29.78	106.91
Total Billing	1,424.18	2,846.95	2,225.78	6,496.91
Abaci, Inc.				
Technical Analyst	162.00	90.00	18.00	270.00
Credit for July 2020 Overpayment	0.00	0.00	(54.00)	(54.00)
Expenses	0.00	0.00	0.00	0.00
Total Billing	162.00	90.00	(36.00)	216.00
EMKAY Associates				
Claims Representative/	170.00	238.00	246.50	654.50
Claims Representative	42.50	42.50	51.00	136.00
Expenses	0.00	0.00	0.00	0.00
Total Billing	212.50	280.50	297.50	790.50
Total Other SDR Subcontractors	1,798.68	3,217.45	2,487.28	7,503.41
Receivership Service Providers				
Microsoft - Exchange Email Services	17.06	0.00	17.06	34.12
Inventory Moving and Storage-Armstrong Archives	58.03	58.03	58.03	174.09

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Millennium Title
Statement of Expenses

For Period Ending
08/31/20

	Total Jun	Total Jul	Total Aug	Total Quarter
Willow Bend Systems (IT Support)	0.00	2,585.25	2,585.25	5,170.50
Fusion-Telephone Services	48.72	49.80	49.80	148.32
Answer National-Telemessaging Service	295.00	295.00	295.00	885.00
Operating Account Bank Charges	12.00	12.00	12.00	36.00
Texas Treasury 191	0.00	0.00	0.00	0.00
Texas Treasury APF Account 192	22.50	22.10	22.50	67.10
Total Other	453.31	3,022.18	3,039.64	6,515.13
Sub-Total SDR, Subcontractor & Provider Expenses				
Sub-Total SDR, Subcontractor & Provider Expenses	7,286.45	16,808.63	16,638.92	40,734.00
Liquidation Oversight Allocation				
RLO Allocation	0.00	0.00	60.00	60.00
Special Master's Fees	0.00	0.00	0.00	0.00
Total RLO & SM Expense	0.00	0.00	60.00	60.00
Total Expenses	7,286.45	16,808.63	16,698.92	40,794.00

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**Millennium Title
Statement of Net Assets**

**For the Period Ending
08/31/20**

Line		08/31/20
Cash		
1	Cash	
	Cash - Unrestricted	124,108
	APF Funds (Loan proceeds)	737,784
Investments		
2	Short-Term 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	925,187

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

08/31/20

Line		05/31/20	08/31/20	Change
Cash				
1	Cash			
	Cash - Unrestricted	143,065	124,108	(18,957)
	APF Funds (Loan proceeds)	737,784	737,784	0
Investments				
2	Short-Term 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	63,295	63,295	0
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	944,144	925,187	(18,957)

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**Millennium Title
Statement of Net Liabilities**

**For Period Ending
08/31/20**

Line		08/31/20
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	13,599
	Liquidation Oversight	60
	Special Master's Fees	
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	5,333,084
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities	(4,407,897)
	Total Liabilities & Equity	925,187

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**Millennium Title
Statement of Net Liabilities**

**For Period Ending
08/31/20**

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

08/31/20

Line		05/31/20	08/31/20	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	10,914	13,599	2,685
	Liquidation Oversight	0	60	60
	Special Master's Fees	0	0	0
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	63,295	63,295	0
	Total Liabilities	5,330,339	5,333,084	2,745
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities	(4,386,195)	(4,407,897)	(21,702)
	Total Liabilities & Equity	944,144	925,187	(18,957)

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**Millennium Title
Sources & Uses of Cash**

**For Period Ending
08/31/20**

	Qtr Ending Aug-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	19,023
Sale of Real & Personal Property	0
Investment Sales/Receipts	0
Other Asset Receipts	0
Total Receipts from Assets/Receivables	19,023
Interest & Dividend Receipts, EA Interest	0
Cash Deposit Interest	68
Total Cash Receipts	19,091
Disbursements	
SDR Fees & Expenses	17,713
Subcontractor Legal Fees & Expenses	6,520
Subcontractor Other Fees & Expenses	7,300
Non-Subcontractor Fees & Expenses	0
Other Expenses	6,515
RLO Fees & Expenses	0
Total Disbursements for Operations	38,048
Loss Claims & LAE Expense Payments	0
Early Access Payments - GA	0
Refunds & Other Distributions	0
Total Cash Distributions	0
Total Cash Disbursements & Distributions	38,048
Net Increase(Decrease) in Cash	(18,957)
Cash at Beginning of Period	880,849
Cash at End of Period	861,892

Automated Certificate of eService

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