

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served on all interested parties in accordance with the Texas Rules of Civil Procedure and TEX. INS. CODE § 443.007(d) this 25th day of September 2009.

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Brian E. Riewe

Brian E. Riewe

**Southern Star Title Company, LLC, in Receivership
Summary Statement of Expenses**

For the Quarter Ending
8/31/2009

	June	July	August	Total 4th Quarter
SDR				
Jennifer Ramsey, PC				
Jennifer Ramsey	3,900.00	9,013.50	8,385.00	21,298.50
Lori Bolton	216.00	411.75	589.50	1,217.25
Leslie Bollier	175.00	712.50	787.50	1,675.00
Adjustment		(33.63)		(33.63)
Expenses		1,048.84		1,048.84
Subcontractors				
Brian E Riewe, PC				
Brian Riewe	1,705.00	5,125.00	2,347.50	9,177.50
Jennifer Fielder Meiners	736.00	2,313.50	1,353.50	4,403.00
Greg Douglass	5,950.00	11,567.50	5,932.50	23,450.00
Error	189.81	(189.81)		0.00
Expenses	189.81	656.70	166.47	1,012.98
Shackelford Melton & McKinley				
Charles Fiscus		309.00		309.00
Expenses				0.00
Balboa Services, Ltd Co				
Angelo Feller	782.00	1,156.00	2,397.00	4,335.00
Carol Feller	52.50	105.00	136.50	294.00
Matt Donavan	(302.50)	109.50	0.00	(193.00)
Expenses				0.00
The Warren Group				
Michael Warren	3,915.00	0.00	0.00	3,915.00
Barron, Newburger, & Sinsley, PLLC				
Erin E Jones				0.00
Cindy DeMott				0.00
Expenses				0.00
Other Vendors/Expenses				
Operations Bank	92.48	10.00	10.00	112.48
Texas Treasury	12.40	12.05	11.74	36.19
Liquidation Oversight Allocation				
Liquidation Oversight Allocation	528.31	1,100.88	1,539.11	3,168.30
Special Master's Fees			51.63	51.63
Total by Month				
Total Expenses for Quarter Ending August 2009				75,278.04

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**Southern Star Title Company, LLC, in Receivership
Statement of Net Assets**

**For the Month Ending
08/31/09**

Line		08/31/09
Cash		
1	Cash - Unrestricted	87,561
Investments		
2	Short-Tem Investments	
3	Bonds, Preferred Stocks & Common Stocks	
4	Investments in Subsidiaries, Controlled or Affiliated Entities	576,823
	Allowance for Collectability	(576,241)
5	Mortgage Loans	
6	Real Estate	
7	Policy Loans	
8	Other Invested Assets	
Reinsurance		
9.1	Reinsurance Recoverables on Paid Losses & LAE	
9.1A	Allowance for Reinsurance on Paid Losses & LAE	
9.2	Reinsurance Recoverables on Unpaid Losses & LAE	
9.2A	Allowance for Reinsurance on Unpaid Losses & LAE	
9.3	Reinsurance Recoverables on UEP & Contingent Commissions	
Receivables		
10	Salvage & Subrogation Recoveries	
11	Premiums Due & Accrued from Agents & Policyholders	
12	Receivable from Parents, Subsidiaries & Affiliates	
13	Accrued Investment Income	
14	Receivable from Guaranty Associations - Early Access Payments	
Other Assets		
15.1	FF&E	2,500
15.2	Prepaid Expenses	
16	Other Assets	
Restricted Assets		
17.1	Restricted - Statutory Deposits	
17.2	Restricted - Funds held by or deposited with Reinsured Companies	
17.3	Restricted - Separate Accounts & Protected Cell Accounts	
17.4	Restricted - Other	
18	Total Unrestricted Assets	90,643
19	Total Restricted Assets	0
19A	Net Assets not Categorized	
20	Total Assets	90,643

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**Southern Star Title Company, LLC, in Receivership
Statement of Net Assets**

**For the Month Ending
08/31/09**

NOTES

Ref No.

- 4 This item represents a \$582.00 note to an employee Cynthia Garcia and a \$576,240.94 escrow shortage with the obligation going to Ibanez. An allowance has been set up for the \$576,240.94 owed by Ibanez. This amount is in litigation and may reflect only a portion of the total due from him. This entry is based on the amount the company booked pre-receivership and the SDR is investigating the entry and the amount may subsequently be adjusted based on the results of that investigation.
- 15.1 This item is an estimate of the value of computer equipment

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Southern Star Title Company, LLC, in Receivership
Changes in Net Assets

For the Quarter Ending
08/31/09

Line		Qtr Ending 05/31/09	Qtr Ending 08/31/09	Change
Cash				
1	Cash - Unrestricted	147,183	87,561	(59,622)
Investments				
2*	Short-Term Investments	576,823		(576,823)
3	Bonds, Preferred Stocks & Common Stocks			0
4*	Investments in Subsidiaries, Controlled or Affiliated Entities		576,823	576,823
	Allowance for Collectability		(576,241)	(576,241)
5	Mortgage Loans			0
6	Real Estate			0
7	Policy Loans			0
8	Other Invested Assets			0
Reinsurance				
9.1	Reinsurance Recoverables on Paid Losses & LAE			0
9.1A	Allowance for Reinsurance on Paid Losses & LAE			0
9.2	Reinsurance Recoverables on Unpaid Losses & LAE			0
9.2A	Allowance for Reinsurance on Unpaid Losses & LAE			0
9.3	Reinsurance Recoverables on UEP & Contingent Commissions			0
Receivables				
10	Salvage & Subrogation Recoveries			0
11	Premiums Due & Accrued from Agents & Policyholders			0
12	Receivable from Parents, Subsidiaries & Affiliates			0
13	Accrued Investment Income			0
14	Receivable from Guaranty Associations - Early Access Payments			0
Other Assets				
15.1	FF&E	2,500	2,500	0
15.2	Prepaid Expenses			0
16	Other Assets			0
Restricted Assets				
17.1	Restricted - Statutory Deposits			0
17.2	Restricted - Funds held by or deposited with Reinsured Companies			0
17.3	Restricted - Separate Accounts & Protected Cell Accounts			0
17.4	Restricted - Other			0
18	Total Unrestricted Assets	726,506	90,643	(635,863)
19	Total Restricted Assets	0	0	0
19A	Net Assets not Categorized			0
20	Total Assets	726,506	90,643	(635,863)

2 & 4 **The classification of this item was changed and an allowance was set up to better follow NAIC categories**

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**Southern Star Title Company, LLC, in Receivership
Statement of Net Liabilities**

**For the Month Ending
08/31/09**

Line		Class	08/31/09
1	Secured Claims	1	18,099
2	Special Deposit Claims	1	
Administrative			
3	Administrative Claims - State/Receiver		
	Special Deputy Receiver, Subcontractors Fees & Expenses	1	41,602
	Liquidation Oversight & Special Master's Fees	1	1,591
	Unsecured Loans	1	
4	Administrative Claims - Guaranty Assns	1	
	Claims Paid		
	Reserves		
5	LAE - Guaranty Assns	1	
	Claims Paid		
	Reserves		
Loss Claims			
6	Loss Claims - Guaranty Assns	2	
	Loss Claims Paid		186,210
	Reserves		
7	Loss Claims - Other	2	
	Loss Claims Paid		
	Reserves		
8	LAE - Other	2	
9	Unearned & Advance Premium Claims (Non Assessable Policies) - GA	2	
10	Unearned & Advance Premium Claims (Non Assessable Policies) - Other	2	
18	Unearned Premium Claims (Assessable Policies) - GA	2	
Other Creditors			
11	Federal Government Claims	3	145,741
12	Employee Claims	4	6,027
13	General Unsecured Creditor Claims (Other than Reinsurance Related)	5	125,886
14	Ceded Reinsurance Related Unsecured Claims	5	
14.1	Assumed Reinsurance Related Unsecured Claims	5	
15	State & Local Government Claims		
	State & Local Governments/Attorneys	6	176
	State & Local Governments - Penalties	7	
16	Late Filed Claims - Unexcused	8	
17	Surplus Notes	9	
19	Unearned Premium Claims (Assessable Policies) - Other	9	
20	Shareholder Claims	11	165,145
21	Other Liabilities		
	Interest	10	
	Other		412,244
	Loans from Abandoned Propert Fund		178,000
22	Total Liabilities		1,280,720
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities		(1,190,078)
	Total Liabilities & Equity		90,643

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**Southern Star Title Company, LLC, in Receivership
Statement of Net Liabilities**

**For the Month Ending
08/31/09**

NOTES

All amounts recorded based on adjudicated claims unless otherwise specified

Ref. No.

- 6 This item represents payments by TTIGA on escrow Shortage
- 21 \$178,000 is balance of loans from abandoned property fund
- 20 Funds due Santo Andrei Investments
- 21 This item is comprised of Escrow funds and payment due TTIGA for

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Southern Star Title Company, LLC, in Receivership
Changes in Net Liabilities

For the Quarter Ending
08/31/09

Line		Qtr Ending 05/31/09	Qtr Ending 08/31/09	Change
1	Secured Claims	18,099	18,099	0
2	Special Deposit Claims	598,455		(598,455)
Administrative				
3	Administrative Claims - State/Receiver			0
	Special Deputy Receiver, Subcontractors Fees & Expenses	102,287	41,602	(60,685)
	Liquidation Oversight & Special Master's Fees	200	1,591	1,391
	Unsecured Loans	178,000		(178,000)
4	Administrative Claims - Guaranty Assns			0
	Claims Paid			0
	Reserves			0
5	LAE - Guaranty Assns			0
	Claims Paid			0
	Reserves			0
Loss Claims				
6	Loss Claims - Guaranty Assns			0
	Loss Claims Paid		186,210	186,210
	Reserves			0
7	Loss Claims - Other			0
	Loss Claims Paid			0
	Reserves			0
8	LAE - Other			0
9	Unearned & Advance Premium Claims (Non Assessable Policies) - GA			0
10	Unearned & Advance Premium Claims (Non Assessable Policies) - Other			0
18	Unearned Premium Claims (Assessable Policies) - GA			0
Other Creditors				
11	Federal Government Claims	145,741	145,741	0
12	Employee Claims	6,027	6,027	0
13	General Unsecured Creditor Claims (Other than Reinsurance Related)		125,886	125,886
14	Ceded Reinsurance Related Unsecured Claims			0
14.1	Assumed Reinsurance Related Unsecured Claims			0
15	State & Local Government Claims			0
	State & Local Governments/Attorneys	176	176	0
	State & Local Governments - Penalties			0
16	Late Filed Claims - Unexcused			0
17	Surplus Notes			0
19	Unearned Premium Claims (Assessable Policies) - Other	50,918		(50,918)
20	Shareholder Claims		165,145	165,145
21	Other Liabilities			0
	Interest			0
	Other	165,145	412,244	247,099
	Loans from Abandoned Propert Fund		178,000	178,000
22	Total Liabilities	1,265,047	1,280,720	15,673
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities	(538,541)	(1,190,078)	(651,537)
	Total Liabilities & Equity	726,506	90,643	(635,863)

R-543 **Southern Star Title Company, LLC, in Receivership**
Change in Cash & Investments

For the Quarter Ending
08/31/09

Line	Qtr Ending Aug-09
Income	
1 Premium Receipts	0
2 Settlements	0
3 Policy Loan Receipts	0
4 Proceeds from Sale of Real Property or Personal Property	0
5 Reinsurance Recoveries	0
6 Salvage & Subrogation Recoveries	0
7 Agents' Balances Received	0
8 Collection of Affiliate Receivables	0
9 Recovery of Taxes Previously Paid	0
10 Other Receipts	20
11 Total Operational Receipts	20
	0
12 Interest & Dividend Receipts	37
13 Net Cash Provided by Investment Activities	0
14 Total Cash Receipts from Investment Activities	37
15 Total Cash Receipts	57
Operational Expenses	
16 Deputy Receiver & Consulting Fees & Expenses	28,293
17 Employee Salaries, P/R Taxes & Employee Benefits	0
18 Rent, Office & Other Facility Expenses	0
19 Legal Fees & Expenses	19,781
20 Accounting & Auditing Fees & Expenses	9,621
21 SGA - Administration Expenses other than LAE	0
22 Ancillary Administration Expenses	1,829
23 Other Disbursements	156
24 Total Operational Disbursements	59,680
Investment Expenses	
25 Investment Expenses	0
26 Purchase of Invested Assets	0
27 Total Disbursements for Investment Activities	0
Claims Paid	
28.1 Losses/Benefit Payments - SGA	0
28.2 Losses/Benefit Payments - Non SGA	0
28.3 Losses/Benefit & LAE Payments - Special Deposits	0
29.1 LAE Payments - SGA	0
29.2 LAE Payments - non SGA	0
30 Early Access Payments	0
31 Reinsurance Payments	0
32 Total Cash Distributions	0
33 Total Cash Disbursements & Distributions	59,680
34 Net Increase(Decrease) in Cash	(59,623)
35 Cash at Beginning of Period	147,183
36 Cash at End of Period	87,561