

# RECEIVERSHIP STATUS REPORT TO THE SPECIAL MASTER

February 6, 2026

## R-559 Access Insurance Company

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

### SPECIFIC ACCOMPLISHMENTS SINCE LAST STATUS CONFERENCE

- Finalized actuarial report.
- Obtained approval for, and made, the Fifth Early Access Distribution.
- Negotiating final terms with one reinsurer, continuing negotiations with another, for commutation of treaties.

### SPECIFIC ESTATE GOALS TO ACHIEVE IN THE NEXT QUARTER

- Continue efforts to commute reinsurance treaties based on updated actuarial report.
- File Fourth Report of Claims.
- File 2025 federal tax return.

## Receivership Background

- Date of Permanent Injunction (Liquidation): March 13, 2018
- Date of SDR Appointment: March 14, 2018
- Claim Filing Deadline: September 13, 2019
- Late Claim Filing Deadline: March 31, 2025
- States Where Licensed: TX, AL, AZ, AR, CA, DE, TN, FL, GA, IN, KY, LA, MS, MO, MT, NV, NM, NC, OK, OR, PA, SC
- Line of Business: Non-standard auto
- Early Access Distributions: \$138,771,196 as of 12/31/25. Additional distribution of \$2,721,981 made in January 2026.

## Statement of Assets and Liabilities as of December 31, 2025

Total Assets:	\$207,192,566
Cash & Invested Assets:	\$ 60,804,912
Non-Cash Assets:	\$146,387,654
Total Liabilities:	\$345,766,021
Negative Equity:	\$(138,573,455)

## Asset Recovery through December 31, 2025

Premium Collected:	\$ 10,792,951
Subrogation/Salvage:	\$ 926,156
Reinsurance Collected:	\$109,837,389
CDs Sold/Matured:	\$ 25,749,715
IOLTA Funds Recovered:	\$ 639,736
Litigation/Settlement Recovery:	\$ 16,624,302

## Asset Recovery Activity

**Reinsurance Collections:** Reinsurance collections total \$109,837,389 from inception through December 31, 2025. The SDR determined that an updated actuarial report (given the length of time since the last report as of September 30, 2023) would strategically assist the SDR in the continued discussions with the various reinsurers who have not yet commuted. The estate's actuaries finalized the report, which reflects reserves as of June 30, 2025, on November 19, 2025. Subsequently, the estate's reinsurance professional, Truitte Todd, negotiated terms of an agreement with one reinsurer to pay, in full, the amounts reported as owed and has been negotiating a similar agreement with a second reinsurer. The SDR, estate counsel, and the reinsurers are reviewing draft agreements.

**SDR v. John Paul Fuchs:** The SDR reached an agreement with Mr. Fuchs to pay approximately 50% of the judgment in installments payable through March of 2026. As of December 31, 2025, he had paid \$24,302. Three additional payments, totaling \$1,800 have been received in January 2026.

## Claims Activity

**Proofs of Claim (“POCs”):** There were no new claims in the last quarter. As of December 31, 2025, the SDR received 9,461 POCs. Pursuant to the Receivership Court’s POC Order, there is no deadline for the timely filing of subrogation claims. The Court ordered the SDR to cut off late claims as of March 31, 2025.

As of December 31, 2025, the SDR has approved claims for \$179,073,103, including: 323 Class 1 claims for \$38,765 arising from POCs filed by AIC defense counsel for post-receivership work expressly authorized by the SDR (some defense counsel POCs include both pre-receivership Class 5 claims and post-receivership Class 1 claims). The SDR approved Class 1 and 2 guaranty association claims in the amount of \$141,493,177. In addition, the SDR has approved 49 non-guaranty association Class 2 claims for \$181,474, largely consisting of uncovered unearned premium (“UEP”) and 15 non-covered loss claims; 6,088 Class 5 subrogation claims for \$35,500,895; 845 Class 5 AIC defense counsel claims for pre-receivership fees and expenses for \$909,694; 453 Class 5 vendor claims for \$458,085; and 9 Class 6 claims for \$78,676, which are claims submitted by state or municipal governments. One POC has been withdrawn, and 1,626 have been denied (disallowed).

**Deemed Deductible POC Project:** The Receivership Court approved the SDR’s plan to deem statutory deductible claims. The proposed plan requires consumers to confirm their current address and establishes a \$25 de minimis floor for approved claims. All deemed deductible claims will have a Class 2 priority. As of June 18, 2025, the SDR’s staff completed mailing 6,498 notice letters to potential claimants. To date, the SDR received 262 confirming responses, while 1,404 notices were returned as undeliverable. As of the date of this report, the SDR has deemed POCs for all 262 respondents in the amount of \$100,394. The project is completed, but if any additional responses are received, the SDR will deem them accordingly.

## Guaranty Associations

**Early Access:** To date, the SDR has made \$141,493,177 in early access distributions to the guaranty associations (including the payment to the Arkansas association in December). All Class 1 and Class 2 claims for the associations, including UEP claims, have been funded through May 31, 2024. All of the guaranty association POCs have been adjudicated. The SDR’s application to make a fifth early access distribution to cover the gap between what has been paid previously and what was approved in those POCs was approved by the Receivership Court on December 12, 2025. The distributions, totaling \$2,721,981.02, were made January 21, 2026.

Total guaranty association loss reserves decreased in the last quarter from \$330,735 to \$318,410.

## **General Administrative Matters**

**Financial Statements:** The SDR has continued to update the estate's financial reporting to include current information regarding the amounts approved on POCs and their classification, along with the amounts potentially available for distribution. The financial statements are intended to provide approved creditors of the estate with sufficient information for them to accurately estimate their potential distribution while at the same time securing the historic financial reporting for NOL calculations and tax filings.

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

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

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

### **Factors Affecting Closing Date and Final Distribution:**

- Reinsurance commutations
- Federal release of claims