

RECEIVERSHIP STATUS REPORT TO THE SPECIAL MASTER

August 7, 2026

R-559 Access Insurance Company

Special Deputy Receiver:	CANTILO & BENNETT, L.L.P.	TX Guaranty Assoc.:	TPCIGA
SDR Responsible Person:	Susan E. Salch	Receiver's Counsel:	Shawn Martin
SDR's Counsel:	Greg Pierce	Est'd Closing Date:	Early 2027

SPECIFIC ACCOMPLISHMENTS SINCE LAST STATUS CONFERENCE

- Adjudicated Class 8 POCs.
- Filed Application for Approval of Commutation Agreement with Transatlantic.
- Filed Application for Approval of Commutation Agreement with Somers Re.
- Filed Application for Approval of Commutation Agreement with MAPRFRE.
- Obtained approval for Commutation Agreement with Corinthian Re.

SPECIFIC ESTATE GOALS TO ACHIEVE IN THE NEXT QUARTER

- Complete pending reinsurance commutations.
- Resolve IV Auto receivable.
- File Fifth Report of Claims.

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: \$141,493,177

Statement of Assets and Liabilities as of June 30, 2026

Total Assets:	\$219,104,123
Cash & Invested Assets:	\$ 58,954,153
Non-Cash Assets:	\$160,149,970
Total Liabilities:	\$223,343,527
Negative Equity:	\$ (4,239,404)

Asset Recovery through June 30, 2026

Premium Collected:	\$ 10,792,951
Subrogation/Salvage:	\$ 926,173
Reinsurance Collected:	\$109,856,940
CDs Sold/Matured:	\$ 25,749,715
IOLTA Funds Recovered:	\$ 639,736
Litigation/Settlement Recovery:	\$ 16,631,202

Asset Recovery Activity

Reinsurance Collections: Reinsurance collections total \$109,856,940 from inception through June 30, 2026. 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, has negotiated agreements with several reinsurers to pay, subject to court approval, the amounts reported as owed. Mr. Todd is negotiating similar agreements with additional reinsurers. 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. As of June 30, 2026, he had paid \$31,202. An additional payment of \$1,000 was received on July 6, 2026.

IV Auto: IV Auto is a California auto salvage business. It contracted to purchase salvage automobiles insured by AIC. IV Auto and the SDR have been in discussions regarding

resolution of payment by IV Auto to the SDR relating to approximately 620 vehicles. The SDR has been negotiating to determine the final amount to be paid by IV Auto for those automobiles.

Claims Activity

Proofs of Claim (“POCs”): There were no new claims in the last quarter. As of June 30, 2026, the SDR received 9,461 POCs. As part of the approval of the estate’s Third Report of Claims, the Receivership Court ordered the SDR to cut off late claims as of March 31, 2025. The SDR filed its Application for Approval of Fourth Report of Claims on April 17, 2026, and the Receivership Court’s order was issued on May 18, 2026.

As of June 30, 2026, the SDR has approved claims for \$179,320,053, 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 (267 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; 6,089 Class 5 subrogation claims for \$35,513,395; 845 Class 5 AIC defense counsel claims for pre-receivership fees and expenses for \$909,694; 452 Class 5 vendor claims for \$445,585; 12 Class 6 claims for \$287,045, which are claims submitted by state or municipal governments; and 20 Class 8 (late filed) claims in the amount of \$38,218. Two POCs have been withdrawn, and 1,650 have been denied (disallowed).

Deemed Deductible POC Project: The Receivership Court approved the SDR’s plan to deem statutory deductible claims, which required consumers to confirm their current address and established a \$25 de minimis floor for approved claims. All deemed deductible claims 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 1,418 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.

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 September 30, 2025. All the guaranty association POCs have been adjudicated.

Total guaranty association loss reserves decreased in the last quarter from \$277,235 to \$270,735.

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. Sharon Williams, the US Department of Justice attorney who processes federal waiver requests, identified a "Medicare claim against Access" for \$93,512.14 in expenses. The SDR researched the claim to discover more than one potential claimant. SDR counsel reached out to Ms. Williams to obtain additional information to determine the identity of the claimant. Ms. Williams acknowledged the request and stated that she would seek additional information. To date, no additional information has been provided.

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). All timely received subpoenas have been processed.

Estimated Closing Date of Receivership: The SDR estimates that the estate could close in early 2027.

Factors Affecting Closing Date and Final Distribution:

- Reinsurance commutations
- Federal release of claims