RECEIVERSHIP STATUS REPORT TO THE SPECIAL MASTER

August 7, 2026

New Century Insurance Company, in Liquidation (R-567)

Special Deputy Receiver: FitzGibbons & Co. Inc.

SDR Responsible Person: Michael FitzGibbons

SDR's Counsel: Robert Nunnally

TX Guaranty Assoc. TPCIGA

Receiver's Counsel: Shawn Martin

Estimated Closing Date: September 30, 2027

Accomplishments:

- Collected $139k of reinsurance balances for losses, of which $96k is recorded as funds held as of June 30, 2026.
- Segregated paper files for NCIC. Began the process of segregating electronic files.
- Mailed approximately 12,000 Proof of Claim forms.
- Paid early access of $200,000 to TPCIGA.
- Collected Premium Tax balances of approximately $120,000.
- Collected $36k from the sale of agent commission refunds owed to NCIC.
- Completed a review of open subrogation matters.

Next Quarter Goals:

- Upon approval from the Court, digitize all legacy paper files and finalize search terms for digital records location.
- Finalize Cat 43 treaty commutation.
- Coordinate with TPCIGA on delivery of ongoing claims information.
- Log all Proof of Claims received and ensure transmission of those impacting TPCIGA.

Background Narrative:

- Order of Liquidation and Permanent Injunction entered on September 3, 2025. The Special Deputy Receiver was designated that same day.

- Order of Reference to Master was entered on October 3, 2025.
- New Century Insurance Company (NCIC) was incorporated and commenced business in August 2000. It is a wholly owned subsidiary of NCL Management Corporation (NCL). NCL is an intermediate holding company and a wholly owned subsidiary of RVOS Farm Mutual Insurance Company (RVOS), the Ultimate Controlling Person (UCP).
- NCIC is licensed in Texas only and wrote Homeowners.
- NCIC's 2024 gross premiums written amounted to $15.3 million, with net premiums written of $8.6 million
- NCIC has no employees nor facilities and operated under a cost sharing agreement with RVOS.

Statement of Assets and Liabilities as of June 30, 2026:

• Total Assets	$1,673,472
• Total Cash & Cash Equivalents	$1,455,713
• Total Non-Cash Assets	$ 217,759
• Total Liabilities	$7,913,630

Asset Recovery (post liquidation):

	6/30/26 QTR	**ITD**
• Premium/Agents Balances Collected	$ 35,717	$ 99,837
• Reinsurance Collected	$ 138,554	$ 221,024
• Investment sold/matured	$ 0	$1,784,928
• Premium tax refund	$ 119,963	$ 119,963
• Other, primarily Stop Pay Outstanding Checks	$ 0	$ 841,501

Estate Activities:

- **Asset Recovery**
  - The SDR collected $138,554 of reinsurance balances during the 3 months ended June 30, 2026, of which $96,033 is reflected as funds held at June 30, 2026.
  - Ceded premiums due to reinsurers total $2.2 million for the 2025 excess of loss, casualty clash and CAT treaties. Reinsurance recoverables for losses on these same treaties total $281k. These treaties name all RVOS companies as ceding companies, including NCIC, RVOS, and Priority One.
  - The SDR analyzed the net due by reinsurer for the above premiums and losses. Amounts due to reinsurers total $1.94 million and amounts due from reinsurers total $1k. An allowance for the entire $281k, noted above, has been recorded as NCIC is in a net payable position to these reinsurers.
  - NCIC had a $17.8k reinsurance recoverable for Loss and LAE under the equipment breakdown treaty. This amount was disputed and has now been resolved, the SDR recovering the entire $17.8k in July 2026.
  - The SDR filed the 2025 Texas Insurance Premium Tax Return on March 25, 2026 which indicated a $121,564 refund due to NCIC. The SDR collected $119,963 which represents the full amount of the Premium Tax Return net of amounts due for Texas Annual Insurance Maintenance, Assessment and Retaliatory Report.

- The SDR finalized its analysis on agent commission refunds owed to NCIC due to the cancelation of policies after liquidation. The amount due from agents totaled $71,434. The SDR negotiated a contract with RVOS selling the receivables to RVOS for $35,717, allowing the estate to avoid the expense of collection. The $35,717 was collected on April 30, 2026.

- **Claims**
  - The SDR has reported 383 claims to TPCIGA. As of June 30, 2026, 79 remain open and 304 have been closed.
  - The direct case loss and loss adjustment expense (LAE) reserves, including payments made by TPCIGA, total approximately $4.0 million as of June 30, 2026. Incurred but not reported LAE reserves total $80,000.
  - TPCIGA has paid losses of $2.68 million and LAE of $502,000 as of June 30, 2026. TPCIGA has reported $248,000 in administrative expenses paid as of March 31, 2026.
  - UDS file delivery to TPCIGA is ongoing. To date the A, B, F, G and I records have been transferred to TPCIGA. TPCIGA has access to the Company's claims and policy systems, permitting their personnel to review all claims files in their entirety in native formats. As new or closed files opened/reopened, records are provided to TPCIGA accordingly.

- **Federal Release**
  - Mr. Nunnally submitted a request for federal release on January 20, 2026. We expect no Federal exposure.

- **Proof of Claims (POCs)**
  - The POC form was approved by the Court on January 29, 2026. The SDR compiled mailing lists from the Company's records which totaled 11,750 POC mailings. These mailings are complete.

  - As of July 9, 2026, the SDR received 40 POCs. Independent adjusters who did pre-liquidation work for NCIC but had not been paid pre-liquidation filed 29 of the 40 POCs. The SDR understands that RVOS plans to voluntarily pay certain independent adjusters to maintain its ongoing business relationships. The SDR expects these independent adjusters' POCs to be withdrawn once payments are finalized by RVOS.

  - The SDR is coordinating with TPCIGA on certain policyholder claims.

- **Early Access**
  - On May 18, 2026, the SDR received court approval to make the first early access payments in the total amount of $200,000 to TPCIGA. The $200,000 payment to TPCIGA was made on June 16, 2026.

- **Estimated Closing Date of Receivership**
  - We expect this estate to be closed September 30, 2027, considering TPCIGA's 18-month claims filing deadline.