

PROLIANCE INSURANCE COMPANY, IN LIQUIDATION
LIQUIDATION DATE APRIL 24, 2001
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
CUMULATIVE FROM APRIL 24, 2001 THROUGH DECEMBER 31, 2005

	Current Period 7/1/2005 TO 12/31/2005	YTD 1/1/2005 TO 12/31/2005	CUMULATIVE FROM 4/24/2001
Beginning Cash & Invested Assets (Note 1)	682,464.88	1,068,004.33	735,773.36
Receipts:			
Interest Income (Note 2)	11,555.77	22,666.43	62,405.11
Unearned Commissions Collected	0.00	0.00	1,122.96
Salvage & Subrogation (Note 3)	7,321.69	11,911.69	106,345.01
Reinsurance Recoveries	0.00	0.00	230,923.56
Recovery from Unclaimed Funds	0.00	0.00	389.50
Proceeds from Allenbrook Settlement	0.00	0.00	200,000.00
Recovery of Preference Payments	0.00	3,000.00	238,816.88
Return of Payroll Taxes from Paychex Processing Co	0.00	0.00	1,753.95
Refund from 2000 Ohio Fire Marshall Tax	0.00	0.00	3,234.90
Recovery from Officers and Employees	0.00	0.00	360.53
Uncashed Preliquidation Checks	0.00	0.00	36,139.68
Proceeds from the Sale of Assets	0.00	0.00	20,080.00
Refund Bureau of Workers Comp	0.00	0.00	192.01
Proceeds from Settlement Agreement-Gluck Ins. Company and The Cincinnati Insurance Companies	0.00	0.00	40,000.00
Other Income	0.00	0.00	85.00
Total Receipts	<u>18,877.46</u>	<u>37,578.12</u>	<u>941,849.09</u>
Disbursements:			
Celina Reinsurance Payment	0.00	0.00	53,936.86
Compensation			
Salaries (Note 4)	31,935.75	51,458.47	254,931.27
Employee Benefits (Note 5)	1,878.35	3,572.50	19,913.09
Payroll and Other Taxes (Note 6)	2,280.27	3,739.03	20,612.02
Professional Fees:			
Accountants Fees (Note 7)	344.10	1,451.30	9,214.11
Legal Fees (Note 8)	54.60	600.31	109,306.07
Consulting Fees and Other Outside Contracts (Note 9)	1,943.76	3,559.60	88,286.17
Ohio Department of Insurance - Examiner Hours	0.00	0.00	13,606.15
Other Expenses of Administration of Company and its Property:			
Rent and Rent Items (Note 10)	2,861.74	4,868.95	30,955.60
Equipment Expenses (Note 11)	170.55	294.80	1,104.71
Travel and Travel Items (Note 12)	142.30	199.21	2,348.24
Postage, Freight and Telephone (Note 13)	1,001.98	1,088.38	4,523.48
Office and Computer Supply Expense (Note 14)	205.37	472.36	3,047.89
Other Expenses (Note 15)	4,231.89	5,197.86	35,513.16
All Other Disbursements:			
Interim Distribution to Insurance Guaranty Associations	0.00	374,788.00	374,788.00
Total Disbursements	<u>47,050.66</u>	<u>451,290.77</u>	<u>1,022,086.82</u>
Security Amortization for the Period	0.00	0.00	<u>(1,243.95)</u>
Ending Cash & Invested Assets (Note 1)	<u>654,291.68</u>	<u>654,291.68</u>	<u>654,291.68</u>

See Schedule A for Analysis of Increase in Cash and Invested Assets (Unencumbered)

PROLIANCE INSURANCE COMPANY, IN LIQUIDATION
LIQUIDATION DATE APRIL 24, 2001
ANALYSIS OF INCREASE IN CASH AND INVESTED ASSETS (UNENCUMBERED)
For the Period July 1, 2005 through December 31, 2005

SCHEDULE A

Beginning Cash (Unencumbered) and Non Cash (Encumbered) Assets as of 7/1/05	682,464.88
Decrease in Cash and Invested Assets (Unencumbered)	<u>(28,173.20)</u>
Ending Cash (Unencumbered) and Non Cash (Encumbered) Assets as of 12/31/05	<u><u>654,291.68</u></u>

Proliance Insurance Company, In Liquidation
Liquidation Date April 24, 2001
Notes to Statement of Cash Receipts and Disbursements
For the Period July 1, 2005 through December 31, 2005

Note 1 <u>Cash and Invested Assets</u>	Beginning Balance 07/01/05	Ending Balance 12/31/05
Unencumbered Cash & Invested Assets		
Cash	15,464.88	5,291.68
Repurchase Agreements	<u>667,000.00</u>	<u>649,000.00</u>
Total Unencumbered Cash & Invested Assets	<u>682,464.88</u>	<u>654,291.68</u>
Encumbered Non Cash Assets		
Statutory Deposits (C)	<u>0.00</u>	<u>0.00</u>
Total Encumbered Non Cash Assets	<u>0.00</u>	<u>0.00</u>
Total Cash and Invested Assets and Non Cash Assets	<u>682,464.88</u>	<u>654,291.68</u>

Statutory Deposits (C)

These assets are held by various state insurance departments as statutory deposits for the benefit of creditors in their states. It is uncertain whether all or any portion of such assets will be returned to the Liquidator.

Note 2 Interest Income

Interest on Repurchase Agreements	<u>11,555.77</u>
	<u>11,555.77</u>

Note 3 Salvage & Subrogation

Cheek & Zeehandelaar	53.00
Kreiner & Peters Co LPA	7,148.69
Nathaniel & Lisa A Pool	<u>120.00</u>
	<u>7,321.69</u>

Disbursements:

Note 4 Salaries

Chief Deputy Liquidator	451.98
Deputy Liquidators	3,116.34
Employee Salaries	<u>28,367.43</u>
	<u>31,935.75</u>

Note 5 Employee Benefits

Salaries 401K Employer Contribution	395.83
Employee Ins Benefits	1,466.08
Employee Relations Other	<u>16.44</u>
	<u>1,878.35</u>

Proliance Insurance Company, In Liquidation
Liquidation Date April 24, 2001
Notes to Statement of Cash Receipts and Disbursements
For the Period July 1, 2005 through December 31, 2005

Note 6 Payroll & Other Taxes

Workers Compensation Insurance	58.62
State Unemployment Tax	15.43
Federal Unemployment Tax	4.87
FICA	2,201.35
	<u>2,280.27</u>

Note 7 Accounting Fees

Ernst & Young	344.10
	<u>344.10</u>

Note 8 Legal Fees

Special Counsel

Maguire & Schneider LLP	30.00
	<u>30.00</u>

Legal Counsel

Kegler, Brown, Hill & Ritter	9.59
	<u>9.59</u>

Total Legal Fees	<u>39.59</u>
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Legal Expenses

Maguire & Schneider LLP	15.00
Kegler, Brown, Hill & Ritter	0.01
Total Legal Expenses	<u>15.01</u>

Total Legal Fees & Expenses	<u>54.60</u>
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Note 9 Consulting Fees and Other Outside Contracts

Outside Data Processing:

William Stout Consulting - IT Consultant	59.88
Automatic Data Processing	36.38
Total Outside Data Processing	<u>96.26</u>

Consulting Fees

Glenn Cornett - Claims Consultant	1,347.50
KB Resolutions-Reinsurance Consultant	500.00
Total Outside Contracts	<u>1,847.50</u>

Total Consulting Fees and Contracts	<u>1,943.76</u>
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Note 10 Rent & Rent Items

Rent on Leased Properties	1,798.62
Rent Other	1.80
Utilities - Gas/Electric	396.92
Janitorial Service	80.62
Furniture & Equipment Rent Copier & Computer	583.78
	<u>2,861.74</u>

Note 11 Equipment Expenses

Furniture, Fixtures & Equip Maintenance & Repair	170.55
	<u>170.55</u>

Note 12 Travel & Travel Items

Travel-Accom. Transportaion	130.21
Travel Expenses and Meals	12.09
	<u>142.30</u>

Note 13 Postage, Freight and Telephone

Postage	891.93
Express & Freight	0.51
Office Telephone and Fax	79.99
Internet	29.55
	<u>1,001.98</u>

Note 14 Office & Computer Supply Expense

Proliance Insurance Company, In Liquidation
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For the Period July 1, 2005 through December 31, 2005

Office Supplies	91.01
Computer Maintenance	48.88
Computer Supplies	63.92
Computer Software Lease	1.56
	<u>205.37</u>

Note 15 **Other Expenses**

Training & Seminars	15.31
Insurance - Building. Liab.	61.37
Insurance - Professional Liab.	1,133.17
Registration and Dues	9.56
FF&E Non-Capital Item	22.60
Books & Periodicals	9.24
Contract Printing	126.63
401K Plan Expenses	2.91
Temporary Help	372.70
Investment Expense	95.00
Misc Expense	0.51
Salvage & Subrogation Legal Expense and Collection Fees	<u>2,382.89</u>
	<u>4,231.89</u>