

**STATE OF SOUTH CAROLINA**

**COUNTY OF RICHLAND**

Michael Wise, as Director of the South  
Carolina Department of Insurance,

v.

Oceanus Insurance Company, A Risk  
Retention Group,

Respondent.

**IN THE COURT OF COMMON PLEAS  
FOR THE FIFTH JUDICIAL CIRCUIT**

C. A. No.: 2017-CP-40-05195

**NOTICE OF FILING OF FINANCIAL  
STATEMENTS  
AS OF DECEMBER 31, 2024**

Pursuant to the South Carolina Insurers Rehabilitation and Liquidation Act, S. C. Code Ann. §§ 38-27-10 *et seq.*, the Liquidator of Oceanus Insurance Company, a Risk Retention Group in Liquidation (“Oceanus”), hereby files the financial statements of Oceanus as of December 31, 2024. Said financial statements are attached as Exhibit A to this filing.

Respectfully submitted,

**HAYNSWORTH SINKLER BOYD, P.A.**

s/John C. Bruton, Jr.

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April 2, 2025

**EXHIBIT A****Oceanus Insurance Company, Inc., a RRG in Liquidation****Balance Sheet****December 31, 2023 and 2024**

|                                              | <b>December 31,</b> |                     |
|----------------------------------------------|---------------------|---------------------|
|                                              | <b>2023</b>         | <b>2024</b>         |
| <b>Assets</b>                                |                     |                     |
| Bonds                                        | 24,915,430          | 32,935,990          |
| Cash and cash equivalents                    | 19,172,710          | 4,488,171           |
| Total cash and investments                   | 44,088,140          | 37,424,161          |
| Miscellaneous receivable                     | 82,715              | 18,100              |
| Investment income accrued                    | 319,980             | 370,979             |
| Ceded reinsurance premiums receivable        | 3,197,516           | 1,931,442           |
| Amounts recoverable from reinsurers - paid   | 1,093,363           | 1,093,363           |
| Ceded loss and LAE reserves                  | 7,552,604           | 9,844,069           |
| <b>Total assets</b>                          | <b>56,334,318</b>   | <b>50,682,114</b>   |
| <b>Liabilities</b>                           |                     |                     |
| Loss and loss adjustment expense reserves    | 65,180,805          | 64,582,064          |
| Other expenses                               | 262,144             | 205,702             |
| Premium refunds related to unearned premiums | 6,277,830           | 6,277,830           |
| Due under SC Code § 38-27-610                | 3,420,081           | 768,980             |
| <b>Total liabilities</b>                     | <b>75,140,860</b>   | <b>71,834,576</b>   |
| <b>Capital and Surplus (Deficit)</b>         |                     |                     |
| Common stock and contributed surplus         | 14,196,685          | 14,196,685          |
| Unassigned funds                             | (33,003,227)        | (35,349,147)        |
| <b>Total policyholders surplus (deficit)</b> | <b>(18,806,542)</b> | <b>(21,152,462)</b> |
| <b>Total liabilities and surplus</b>         | <b>56,334,318</b>   | <b>50,682,114</b>   |

**Oceanus Insurance Company, Inc., a RRG in Liquidation**  
**Statement of Cash Receipts and Disbursements**  
**September 21, 2017 to December 31, 2024**

|                                            | 9-21 to 12-31 |             |           |             |           |           |            |              |            |
|--------------------------------------------|---------------|-------------|-----------|-------------|-----------|-----------|------------|--------------|------------|
|                                            | 2017          | 2018        | 2019      | 2020        | 2021      | 2022      | 2023       | 2024         | ITD        |
| <b>Beginning cash and cash equivalents</b> | 5,241,981     | 6,583,508   | 1,352,721 | 5,656,154   | 2,401,653 | 2,320,067 | 2,889,490  | 19,172,710   | 5,241,981  |
| <b>Receipts</b>                            |               |             |           |             |           |           |            |              |            |
| Premiums                                   | 60,268        | 14,804      | 19,586    | 95,765      | -         | -         | -          | -            | 190,423    |
| Commissions and related items              | -             | 251,353     | 205,487   | 42,678      | -         | -         | -          | -            | 499,517    |
| Deductible recoveries                      | -             | 20,000      | -         | -           | -         | -         | -          | -            | 20,000     |
| Investment income                          | 125,857       | 1,012,423   | 1,098,164 | 994,190     | 907,952   | 801,047   | 919,758    | 1,817,322    | 7,676,712  |
| Federal tax refund                         | 6,987         | -           | 7,551     | 7,551       | -         | -         | -          | -            | 22,089     |
| Premium tax refunds                        | -             | 191,882     | 135,178   | 4,581       | -         | -         | -          | -            | 331,641    |
| Proceeds from investments and other, net   | 1,760,648     | (4,311,940) | 3,234,875 | (2,371,251) | 800,013   | 1,892,743 | 16,465,243 | (7,873,603)  | 9,596,730  |
| Claims bond proceeds                       | -             | -           | 1,444,512 | -           | -         | -         | -          | -            | 1,444,512  |
| Preferences recovered                      | -             | -           | -         | 129,283     | 14,826    | 4,391     | -          | -            | 148,500    |
| Other                                      | -             | 15,450      | 600       | -           | -         | -         | -          | -            | 16,050     |
| <b>Total receipts</b>                      | 1,953,760     | (2,806,029) | 6,145,953 | (1,097,203) | 1,722,791 | 2,698,181 | 17,385,001 | (6,056,281)  | 19,946,173 |
| <b>Disbursements</b>                       |               |             |           |             |           |           |            |              |            |
| Loss and loss adjustment expenses          | 47,096        | 528,077     | 144,637   | 140,374     | 37,798    | 26,613    | 71,124     | 5,065,749    | 6,061,468  |
| Salary and employee benefits               | 159,478       | 444,709     | 404,479   | 447,970     | 435,533   | 445,031   | 294,197    | 182,767      | 2,814,163  |
| Professional fees                          | 156,666       | 165,883     | 275,219   | 363,674     | 395,057   | 671,385   | 125,974    | 13,650       | 2,167,508  |
| Legal fees                                 | 33,992        | 301,808     | 322,667   | 491,056     | 267,000   | 303,156   | 187,978    | 35,731       | 1,943,388  |
| Special Deputy Liquidator                  | 45,292        | 676,414     | 440,489   | 489,011     | 442,109   | 443,705   | 242,010    | 349,962      | 3,128,992  |
| Due under SC Code § 38-27-610              | -             | -           | -         | -           | -         | -         | -          | 2,800,000    | 2,800,000  |
| Rent, rent items and utilities             | 41,098        | 72,847      | 59,732    | 61,080      | 58,281    | 54,964    | 26,794     | 27,085       | 401,880    |
| EDP equipment, software and consulting     | 34,781        | 82,876      | 24,530    | 15,988      | 19,332    | 22,425    | 14,563     | 17,470       | 231,966    |
| Offices supplies, postage and printing     | 16,222        | 10,039      | 14,487    | 12,586      | 14,740    | 19,152    | 20,109     | 20,859       | 128,193    |
| Insurance                                  | -             | 1,943       | 11,110    | 9,934       | 11,234    | 15,769    | 10,238     | 8,582        | 68,810     |
| Investment advisory and bank charges       | 33,603        | 139,003     | 144,743   | 125,526     | 122,497   | 115,810   | 105,869    | 105,371      | 892,422    |
| Publication costs                          | 42,750        | -           | -         | -           | -         | -         | -          | -            | 42,750     |
| Other                                      | 1,257         | 1,159       | 428       | 99          | 797       | 10,748    | 2,925      | 1,033        | 18,445     |
| <b>Total disbursements</b>                 | 612,234       | 2,424,758   | 1,842,520 | 2,157,298   | 1,804,376 | 2,128,758 | 1,101,781  | 8,628,259    | 20,699,984 |
| <b>Net cash flows</b>                      | 1,341,526     | (5,230,787) | 4,303,433 | (3,254,501) | (81,585)  | 569,423   | 16,283,220 | (14,684,540) | (753,811)  |
| <b>Ending cash and cash equivalents</b>    | 6,583,508     | 1,352,721   | 5,656,154 | 2,401,653   | 2,320,067 | 2,889,490 | 19,172,710 | 4,488,171    | 4,488,171  |

Cash Rec. & Disb.

**Oceanus Insurance Company, Inc., a RRG in Liquidation**  
**Payments to Consultants and Other Professionals (A)**  
**September 21, 2017 to December 31, 2024**

|                                        | 9-21 to 12-31  |                  |                  |                  |                  |                  |                |                |                  | Comments                  |
|----------------------------------------|----------------|------------------|------------------|------------------|------------------|------------------|----------------|----------------|------------------|---------------------------|
|                                        | 2017           | 2018             | 2019             | 2020             | 2021             | 2022             | 2023           | 2024           | ITD              |                           |
| FitzGibbons and Company, Inc.          | 45,292         | 676,414          | 440,489          | 489,011          | 442,109          | 443,705          | 242,010        | 349,962        | 3,128,992        | Special Deputy Liquidator |
| USA Risk Group, Inc.                   | 50,000         | 37,521           | -                | -                | -                | -                | -              | -              | 87,521           | Captive Manager           |
| The HDH Group Inc.                     | 41,446         | 15,123           | -                | -                | -                | -                | -              | -              | 56,569           | MGU                       |
| South Carolina Department of Insurance | 35,281         | -                | -                | -                | -                | -                | -              | -              | 35,281           | Confidential Supervision  |
| Francine L. Semaya                     | 24,203         | 202,186          | 169,876          | 149,759          | 5,228            | -                | -              | -              | 551,253          | Legal                     |
| Actuarial Solutions                    | 13,744         | -                | -                | -                | -                | -                | -              | -              | 13,744           | Actuarial                 |
| Haynsworth Sinkler Boyd, P.A.          | 9,789          | 99,621           | 150,291          | 323,169          | 253,783          | 294,452          | 182,253        | 35,731         | 1,349,089        | Legal                     |
| Financial Risk Analysts, LLC           | 7,838          | -                | -                | -                | -                | -                | -              | -              | 7,838            | Actuarial                 |
| Frederich Bingham                      | 4,154          | 56,390           | -                | 79,702           | 150,135          | 280,280          | 91,372         | 75,619         | 737,652          | Consulting - Claims       |
| Arp Insurance Law                      | -              | -                | -                | -                | -                | -                | -              | 2,730          | 2,730            | Consulting - Claims       |
| Bauknight Pietras & Storm, PA          | 3,757          | -                | -                | -                | -                | -                | -              | -              | 3,757            | Tax Preparation           |
| Plante & Moran, PLLC                   | -              | 8,000            | 5,250            | 5,000            | 5,150            | 5,785            | -              | 13,650         | 42,835           | Tax Preparation           |
| Pension Systems, Inc.                  | 446            | 1,824            | 1,142            | 3,197            | 1,859            | 2,021            | 3,573          | -              | 14,062           | 401K Services             |
| William Maldonado                      | -              | 20,363           | 5,450            | -                | -                | -                | -              | -              | 25,813           | Consulting                |
| Shahriar Arfa-Zanganeh CPA, CFF        | -              | 26,663           | 158,186          | 89,972           | 6,413            | -                | -              | -              | 281,232          | Consulting                |
| Martin C. McWilliams, Jr.              | -              | -                | 2,500            | -                | -                | -                | -              | -              | 2,500            | Legal                     |
| DeVito Consulting, Inc.                | -              | -                | 34,669           | 86,306           | 103,526          | 237,384          | 57,388         | -              | 519,273          | Consulting                |
| Huggins Actuarial Services, Inc.       | -              | -                | 70,522           | 99,497           | 127,974          | 145,915          | -              | -              | 443,908          | Consulting                |
| Clawson & Staubes, L.L.C.              | -              | -                | -                | 1,137            | -                | -                | -              | -              | 1,137            | Legal                     |
| Guttilla Murphy Anderson, P.C.         | -              | -                | -                | 2,750            | -                | -                | -              | -              | 2,750            | Legal                     |
| Devlin & Parkinson P.A.                | -              | -                | -                | 13,640           | -                | -                | -              | -              | 13,640           | Legal                     |
| Humphrey, Berger & Assoc., LLP         | -              | -                | -                | 600              | 7,990            | 1,151            | -              | -              | 9,741            | Legal                     |
| Holland & Knight                       | -              | -                | -                | -                | -                | 7,553            | 2,563          | -              | 10,116           | Legal                     |
| Folkens Law Firm, P.A.                 | -              | -                | -                | -                | -                | -                | 3,162          | -              | 3,162            | Legal                     |
| <b>Total</b>                           | <b>235,951</b> | <b>1,144,105</b> | <b>1,038,374</b> | <b>1,343,740</b> | <b>1,104,165</b> | <b>1,418,246</b> | <b>582,321</b> | <b>477,692</b> | <b>7,344,595</b> |                           |

(A) - Excludes LAE payments to certain vendors.