

**TRANSMITTAL OF FINANCIAL REPORTS AND
CERTIFICATION OF COMPLIANCE WITH
UNITED STATES TRUSTEE OPERATING REQUIREMENTS FOR
THE PERIOD ENDED: 9/30/11**

IN RE:

:
CASE NO.: 09-21323
: Chapter 11
Judge: Morgenstern-Clarren

AmTrust Financial Corporation nka
AmFin Financial Corporation
Debtor

As debtor in possession, I affirm:

1. That I have reviewed the financial statements attached hereto, consisting of:

<u> x </u>	Operating Statement [1]	(Form 2)
<u> x </u>	Balance Sheet [1]	(Form 3)
<u> x </u>	Summary of Operations [1]	(Form 4)
<u> x </u>	Monthly Cash Statement	(Form 5)
<u> x </u>	Statement of Compensation	(Form 6)
<u> x </u>	Schedule of In-Force Insurance	(Form 7)

and that they have been prepared in accordance with normal and customary accounting practices, and fairly and accurately reflect the debtor's financial activity for the period stated;

2. That the insurance, including workers' compensation and unemployment insurance, as described in Section 4 of the Reporting Requirements For Chapter 11 Cases is in effect; and, (If not, attach a written explanation) YES X NO

3. That all postpetition taxes as described in Sections 1 and 14 of the Operating Instructions and Reporting Requirements For Chapter 11 cases are current. (If not, attach a written explanation) YES X NO

4. No professional fees (attorney, accountant, etc.) have been paid without specific court authorization. (If not, attach a written explanation) YES X NO

5. All United States Trustee Quarterly fees have been paid and are current. YES X NO

6. Have you filed your prepetition tax returns. (If not, attach a written explanation) YES X NO

I hereby certify, under penalty of perjury, that the information provided above and in the attached documents is true and correct.

[1] - The Debtor has made substantial efforts to prepare and complete the information in this Monthly Operating Report (the "Report"). However, given the nature of the Debtor's accounting system, it is somewhat difficult to verify the accuracy of the information contained in the Report. Therefore, the Debtor can give no assurance as to the accuracy of the information provided in the Report. Also, please note that certain GL balances related to prior months have changed based on additional information and further review.

Dated: 10-18-11

Ronald J. Mc
Responsible Officer of the Debtor in Possession

President
Title

404-835-8830
Phone



092132311102000000000001

OPERATING STATEMENT (P&L)

Period Ending: 9/30/11

Case No: 09-21323

	<u>Current Month</u>	<u>Total Since Filing</u>
Revenue	\$ -	\$ -
Cost of Sales	-	-
Total Net Interest	<u>-</u>	<u>-</u>
EXPENSES:		
Salary Expenses	-	391,087
AFC Group Benefits	-	141,425
Payroll Taxes	-	18,261
Insurance Expense	-	118,070
Regulatory Insurance and Assessments	-	14,310
State and Local Taxes	-	3,523
Other Operating Expenses	541	868,927
Outside Services	<u>130</u>	<u>18,775</u>
TOTAL EXPENSES:	<u>671</u>	<u>1,574,379</u>
NET OPERATING PROFIT/(LOSS)	(671)	(1,574,379)
Add: Non-Operating Income:		
Interest Income	-	61,234
Other Income	-	-
Less: Non-Operating Expenses:		
Professional Fees [1]	501,664	14,385,714
Interest Expense	-	2,135
Loss Due to FDIC Seizure of Bank	-	309,160,588
US Trustee Fees	-	46,478
Equity in Affiliates	10,122,593	62,787,578
Other Taxes	-	(1,229,307)
	<u>\$ (10,624,927)</u>	<u>\$ (386,666,331)</u>
NET INCOME/(LOSS)		

[1] - Includes adjustment to accrual account

Dated: 10-13-11



 Responsible Officer of the Debtor in Possession

BALANCE SHEET
 Period Ending: 9/30/11

Case No: 09-21323

11/30/2009

At Filing

	<u>Current Month</u>	<u>Prior Month</u>	
ASSETS:			
Cash	\$ 240,724	\$ 139,228	\$ 3,709,401
Securities	1,669,497	1,669,497	1,668,743
Interest Receivable From Affiliate	1,795,548	1,795,548	1,797,179
Equipment	-	-	
Owned Subsidiaries	80,215,378	90,937,971	462,680,702
Pre-paid Expenses	3,773,084	3,773,084	2,596,134
Pre-paid Debt Issuance Cost	-	-	744,678
	<u>87,694,232</u>	<u>98,315,328</u>	<u>473,196,837</u>
TOTAL ASSETS:			
LIABILITIES:			
Postpetition Liabilities	-	-	-
Accounts Payable	-	-	-
Rent and Lease Payable	-	-	-
Wages and Salaries	-	-	-
Bank Plan Medical Insurance	-	-	-
Accrued Expenses	1,058,839	1,055,010	-
	<u>1,058,839</u>	<u>1,055,010</u>	<u>-</u>
TOTAL Postpetition Liab.			
Secured Liabilities:			
Subject to Postpetition	-	-	-
Collateral or Financing Order	-	-	-
All Other Secured Liab.	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL Secured Liab.			
Prepetition Liabilities:			
Senior Notes	97,647,470	97,647,470	97,647,470
Junior Subordinated Debentures	51,547,000	51,547,000	51,547,000
Accrued Interest Payable	7,674,426	7,674,426	7,674,426
Accrued Expenses and other Liabilities	19,765	19,765	19,765
Accounts Payable - O/S Checks	20,786	20,786	25,648
	<u>156,909,447</u>	<u>156,909,447</u>	<u>156,914,309</u>
TOTAL Prepetition Liab.			
Equity:			
Capital Stock	1,036,225	1,036,225	1,036,225
Treasury Stock	(80,278,210)	(80,278,210)	(80,278,210)
Retained Earnings-Pre Pet.	395,524,513	395,524,513	395,524,513
Retained Earnings-Post Pet.	(386,556,584)	(375,931,657)	-
	<u>(70,274,055)</u>	<u>(59,649,128)</u>	<u>316,282,529</u>
TOTAL Equity:			
TOTAL LIABILITIES AND EQUITY:	<u>87,694,231</u>	<u>98,315,328</u>	<u>473,196,837</u>

Dated: 10.18.11 Ronald J. Glass
 Responsible Officer of the Debtor in Possession

FORM 3

SUMMARY OF OPERATIONS
 Period Ended: 9/30/11

Case No: 09-21323

Schedule of Postpetition Taxes Payable

	<u>Beginning Balance</u>	<u>Accrued/ Withheld</u>	<u>Payments/ Deposits</u>	<u>Ending Balance</u>
Income Taxes Withheld:				
Federal	\$ -	\$ -	\$ -	\$ -
State	-	-	-	-
Local	-	-	-	-
FICA Withheld	-	-	-	-
Employers FICA	-	-	-	-
Unemployment Tax:				
Federal	-	-	-	-
State	-	-	-	-
Sales, Use & Excise Taxes	-	-	-	-
Property Taxes	-	-	-	-
Workers' Compensation	-	-	-	-
Other	-	-	-	-
TOTALS:	\$ -	\$ -	\$ -	\$ -

**AGING OF ACCOUNTS RECEIVABLE
 AND POSTPETITION ACCOUNTS PAYABLE**

Age in Days	0-30	30-60	Over 60
Post Petition Accounts Payable	NONE	-	-
Accounts Receivable	NONE	-	-

For all postpetition accounts payable over 30 days old, please attached a sheet listing each such account, to whom the account is owed, the date the account was opened, and the reason for non-payment of the account.

Describe events or factors occurring during this reporting period materially affecting operations and formulation of a Plan of Reorganization:

Ronald J. Hesse

Responsible Officer of the Debtor in Possession

Dated: 10-13-11

MONTHLY CASH STATEMENT
 Period Ending: 9/30/11

Cash Activity Analysis (Cash Basis Only):

Case No: 09-21323

	<u>Operating Acct. Old</u>	<u>Operating Acct.</u>	<u>Tax Acct.</u>	<u>Cash Coll. Acct.</u>	<u>Petty Cash Acct.</u>
A. Beginning Balance	\$ -	\$ 139,228			
B. Receipts (Attach separate schedule)	-	600,000			
C. Balance Available (A + B)	-	739,228			
D. Less Disbursements (Attach separate schedule)	-	498,504			
E. ENDING BALANCE (C - D)	\$ -	\$ 240,724			

(PLEASE ATTACH COPIES OF MOST RECENT RECONCILED BANK STATEMENTS FROM EACH ACCOUNT)

Operating Account - Old:

1. Depository Name & Location National City Bank - Cleveland OH
 2. Account Number 140582583

Operating Account:

1. Depository Name & Location PNC Bank - Cleveland OH
 2. Account Number 42-2719-0679

Date: 10-18-11

Ronald Z. Flores
 Responsible Officer of the Debtor in Possession

SCHEDULE OF IN-FORCE INSURANCE

Period Ending: 9/30/11

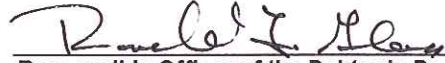
Case No: 09-21323

INSURANCE TYPE

CARRIER

EXPIRATION DATE

Dated: 10-18-11



Responsible Officer of the Debtor in Possession

11:46 PM
10/17/11

AmFin Financial Corporation - Case No.: 09-21323
Reconciliation Summary
102124 · PNC - Operating Account, Period Ending 09/30/2011

	<u>Sep 30, 11</u>
Beginning Balance	154,322.30
Cleared Transactions	
Checks and Payments - 7 items	-485,342.36
Deposits and Credits - 1 item	600,000.00
Total Cleared Transactions	<u>114,657.64</u>
Cleared Balance	<u>268,979.94</u>
Uncleared Transactions	
Checks and Payments - 10 items	-28,255.73
Total Uncleared Transactions	<u>-28,255.73</u>
Register Balance as of 09/30/2011	<u>240,724.21</u>
New Transactions	
Checks and Payments - 3 items	-5,886.09
Total New Transactions	<u>-5,886.09</u>
Ending Balance	<u>234,838.12</u>

AmFin Financial Corporation - Case No.: 09-21323
Schedule of Receipts - PNC Acct 42-2719-0679
As of September 30, 2011

Type	Date	Num	Name	Amount
CASH				
102124 · PNC - Operating Account				
Deposit	9/23/2011		AREI	600,000.00
Total 102124 · PNC - Operating Account				<u>600,000.00</u>
Total CASH				<u>600,000.00</u>
TOTAL				<u><u>600,000.00</u></u>

AmFin Financial Corporation - Case No.: 09-21323
Schedule of Disbursements - PNC Acct 42-2719-0679
As of September 30, 2011

Type	Date	Num	Name	Amount
CASH				
102124 · PNC - Operating Account				
Check	9/23/2011	Wire	GlassRatner Advisory & Capital Group LLC	-29,505.52
Check	9/23/2011	Wire	Tucker Ellis & West LLP	-26,682.43
Check	9/23/2011	Wire	Squire Sanders & Dempsey LLP	-416,775.07
Check	9/27/2011	695	Kurtzman Carson Consultants	-7,813.37
Check	9/27/2011	696	Alan Presby	-7,151.33
Check	9/27/2011	697	Alan Presby	-8,465.70
Check	9/27/2011	698	Alan Presby	-22.77
Check	9/27/2011	699	Definition 6	-1,440.00
Check	9/27/2011	700	Rennillo Deposition & Discovery	-517.90
Check	9/30/2011			-129.94
Total 102124 · PNC - Operating Account				-498,504.03
Total CASH				-498,504.03
TOTAL				-498,504.03

Corporate Business Account Statement



Page 1 of 2

Account Number: 42-2719-0679

For the period 09/01/2011 to 09/30/2011

AMFIN FINANCIAL CORPORATION
3391 PEACHTREE RD NE STE 110
ATLANTA GA 30326-1014

Number of enclosures: 0
Tax ID Number: 34-1233959

For Client Services:
Call 1-800-669-1518

Visit us at PNC.com/treasury

Write to: Treas Mgmt Client Care
One Financial Parkway
Locator Z1-Yb42-03-1
Kalamazoo MI 49009

Account Summary Information

Balance Summary

Beginning balance	Deposits and other credits	Checks and other debits	Ending balance
154,322.30	600,000.00	485,342.36	268,979.94

Deposits and Other Credits

Description	Items	Amount
Deposits	0	.00
National Lockbox	0	.00
ACH Credits	0	.00
Funds Transfers In	0	.00
Trade Services	0	.00
Investments	0	.00
Zero Balance Transfers	0	.00
Adjustments	0	.00
Other Credits	1	600,000.00
Total	1	600,000.00

Checks and Other Debits

Description	Items	Amount
Checks	3	12,249.40
Returned Items	0	.00
ACH Debits	0	.00
Funds Transfers Out	3	472,963.02
Trade Services	0	.00
Investments	0	.00
Zero Balance Transfers	0	.00
Adjustments	0	.00
Other Debits	1	129.94
Total	7	485,342.36

Ledger Balance

Date	Ledger balance	Date	Ledger balance	Date	Ledger balance
09/01	154,322.30	09/07	142,072.90	09/30	268,979.94
09/06	152,223.00	09/23	269,109.88		

Deposits and Other Credits

Other Credits

1 transaction for a total of \$600,000.00

Date posted	Amount	Transaction description	Reference number
09/23	600,000.00	Account Transfer From 0000004227190687	AMFIN FINANCIAL

Checks and Other Debits

Checks and Substitute Checks

3 transactions for a total of \$12,249.40

Date posted	Check number	Amount	Reference number	Date posted	Check number	Amount	Reference number	Date posted	Check number	Amount	Reference number
09/06	694	1,440.00	090229061	09/06	692	659.30	090516957	09/07	693	10,150.10	09566488

Funds Transfers Out

3 transactions for a total of \$472,963.02

Date posted	Amount	Transaction description	Reference number
09/23	416,775.07	Fed Wire Out 031632	W031632 0923
09/23	29,505.52	Fed Wire Out 031634	W031634 0923
09/23	26,682.43	Fed Wire Out 031635	W031635 0923

Corporate Business Account Statement

AMFIN FINANCIAL CORPORATION
 3391 PEACHTREE RD NE STE 110

For the period 09/01/2011 to 09/30/2011
 Account number: 42-2719-0679
 Page 2 of 2

Checks and Other Debits - continued

Other Debits		1 transaction for a total of \$129.94	
Date posted	Amount	Transaction description	Reference number
09/30	129.94	Corporate Account Analysis Charge	000000000000021641

Check and Substitute Check Summary

* Gap in check sequence

Check number	Amount	Date paid	Reference number	Check number	Amount	Date paid	Reference number	Check number	Amount	Date paid	Reference number	
692	*	659.30	09/06	090516957	693	10,150.10	09/07	095666488	694	1,440.00	09/06	090229061