



ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2009
OF THE CONDITION AND AFFAIRS OF THE
Stonewall Insurance Company

NAIC Group Code 1343, NAIC Company Code 22276, Employer's ID Number 63-0202590
Organized under the Laws of Rhode Island, State of Domicile or Port of Entry Rhode Island
Country of Domicile United States
Incorporated/Organized 02/10/1866, Commenced Business 02/10/1866
Statutory Home Office 200 Metro Center Blvd, Suite 8, Warwick, RI 02886
Main Administrative Office 200 Metro Center Blvd, Suite 8, Warwick, RI 02886, 401-921-5234
Mail Address 200 Metro Center Blvd, Suite 8, Warwick, RI 02886
Primary Location of Books and Records 200 Metro Center Blvd, Suite 8, Warwick, RI 02886, 401-921-5234-207
Internet Website Address
Statutory Statement Contact Teresa M Reali, 401-921-5234-207, teresa.reali@enstargroup.us.com

OFFICERS

Name Title Name Title
Karl John Wall, President and COO Robert Barry Carlson, Treasurer
Thomas John Balkan, Secretary

OTHER OFFICERS

Raymond Rizzi, Vice President Joseph Follis, Vice President

DIRECTORS OR TRUSTEES

Karl John Wall, Robert Barry Carlson, Seth Goldberg #, Phillip Raygorodetsky
David Browne

State of Rhode Island

County of Kent ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Karl John Wall
President and COO

Robert Barry Carlson
Treasurer

Thomas John Balkan
Secretary

Subscribed and sworn to before me this
15th day of February, 2010

- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number
2. Date filed
3. Number of pages attached

ANNUAL STATEMENT FOR THE YEAR 2009 OF THE STONEWALL INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	57,116,970		57,116,970	54,195,551
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	1,110,197
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$5,750,697 , Schedule E, Part 1), cash equivalents (\$0 , Schedule E, Part 2) and short-term investments (\$20,260,682 , Schedule DA).....	26,011,379		26,011,379	22,482,899
6. Contract loans, (including \$ premium notes)			0	0
7. Other invested assets (Schedule BA)	0		0	0
8. Receivables for securities	88,519		88,519	195,670
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	83,216,868	0	83,216,868	77,984,317
11. Title plants less \$ charged off (for Title insurers only).....			0	0
12. Investment income due and accrued	692,139		692,139	536,720
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection			0	0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premium).....			0	0
13.3 Accrued retrospective premium.....			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	7,655,097		7,655,097	9,686,930
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts			0	0
15. Amounts receivable relating to uninsured plans			0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	622,677		622,677	311,449
16.2 Net deferred tax asset.....			0	0
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software.....			0	0
19. Furniture and equipment, including health care delivery assets (\$)			0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates			0	0
22. Health care (\$) and other amounts receivable.....			0	0
23. Aggregate write-ins for other than invested assets	0	0	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	92,186,782	0	92,186,782	88,519,416
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
26. Total (Lines 24 and 25)	92,186,782	0	92,186,782	88,519,416
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above)	0	0	0	0
2301.			0	0
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2009 OF THE STONEWALL INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	66,073,507	77,027,200
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	306,454	428,200
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	28,997,650	29,136,511
4. Commissions payable, contingent commissions and other similar charges	0	0
5. Other expenses (excluding taxes, licenses and fees)	130,000	955,572
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	0	0
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	0	0
7.2 Net deferred tax liability	8,011,077	6,966,458
8. Borrowed money \$ and interest thereon \$	0	0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ and including warranty reserves of \$)	0	0
10. Advance premium	0	0
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	24,125	22,383
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	1,310,148	1,310,148
14. Amounts withheld or retained by company for account of others	0	0
15. Remittances and items not allocated	0	0
16. Provision for reinsurance (Schedule F, Part 7)	806,636	811,026
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	591,549	0
20. Payable for securities	0	0
21. Liability for amounts held under uninsured plans	0	0
22. Capital notes \$ and interest thereon \$	0	0
23. Aggregate write-ins for liabilities	(74,915,791)	(86,672,373)
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	31,335,356	29,985,125
25. Protected cell liabilities	0	0
26. Total liabilities (Lines 24 and 25)	31,335,356	29,985,125
27. Aggregate write-ins for special surplus funds	3,781,316	13,500,464
28. Common capital stock	2,000,000	2,000,000
29. Preferred capital stock	0	0
30. Aggregate write-ins for other than special surplus funds	0	0
31. Surplus notes	0	0
32. Gross paid in and contributed surplus	73,966,820	73,966,820
33. Unassigned funds (surplus)	(18,896,711)	(30,932,991)
34. Less treasury stock, at cost:		
34.1 shares common (value included in Line 28 \$)	0	0
34.2 shares preferred (value included in Line 29 \$)	0	0
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 39)	60,851,426	58,534,293
36. Totals (Page 2, Line 26, Col. 3)	92,186,782	88,519,418
DETAILS OF WRITE-INS		
2301. Retro Reinsurance	(74,915,791)	(86,672,373)
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	(74,915,791)	(86,672,373)
2701. Special Surplus from Retro Reinsurance	3,781,316	13,500,464
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	3,781,316	13,500,464
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2009 OF THE STONEWALL INSURANCE COMPANY

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	0	0
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	(15,560,213)	2,829,061
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	3,045,868	2,858,127
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	1,064,085	2,416,308
5. Aggregate write-ins for underwriting deductions	0	0
6. Total underwriting deductions (Lines 2 through 5)	(11,450,260)	8,103,496
7. Net income of protected cells	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	11,450,260	(8,103,496)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	2,796,479	3,294,875
10. Net realized capital gains (losses) less capital gains tax of \$ (Exhibit of Capital Gains (Losses))	(334,369)	219,457
11. Net investment gain (loss) (Lines 9 + 10)	2,462,111	3,514,332
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)		0
13. Finance and service charges not included in premiums		0
14. Aggregate write-ins for miscellaneous income	(9,858,274)	3,626,248
15. Total other income (Lines 12 through 14)	(9,858,274)	3,626,248
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	4,054,097	(962,916)
17. Dividends to policyholders		0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	4,054,097	(962,916)
19. Federal and foreign income taxes incurred	924,706	(356,191)
20. Net income (Line 18 minus Line 19) (to Line 22)	3,129,391	(606,725)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	58,534,297	59,336,830
22. Net income (from Line 20)	3,129,391	(606,725)
23. Net transfers (to) from Protected Cell accounts		0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	(1,132,782)	135,753
25. Change in net unrealized foreign exchange capital gain (loss)		0
26. Change in net deferred income tax	(1,044,619)	(50,585)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 26, Col. 3)	2,132,268	(771,519)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	4,390	490,544
29. Change in surplus notes		0
30. Surplus (contributed to) withdrawn from protected cells		0
31. Cumulative effect of changes in accounting principles		0
32. Capital changes:		
32.1. Paid in		0
32.2. Transferred from surplus (Stock Dividend)		0
32.3. Transferred to surplus		0
33. Surplus adjustments:		
33.1. Paid in		0
33.2. Transferred to capital (Stock Dividend)		0
33.3. Transferred from capital		0
34. Net remittances from or (to) Home Office		0
35. Dividends to stockholders		0
36. Change in treasury stock (Page 3, Lines 34.1 and 34.2, Column 2 minus Column 1)	0	0
37. Aggregate write-ins for gains and losses in surplus	(771,519)	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	2,317,129	(802,533)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 35)	60,851,426	58,534,297
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401. Misc Income	8,152	21,241
1402. Charge-offs	(147,278)	(3,190)
1403. Retro Reinsurance	(9,719,148)	3,608,197
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	(9,858,274)	3,626,248
3701. Prior Period Adjustment - Claim service fees	(771,519)	0
3702.		0
3703.		0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	(771,519)	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance.....	1,742	0
2. Net investment income.....	2,757,973	3,115,487
3. Miscellaneous income.....	(139,129)	18,051
4. Total (Lines 1 through 3).....	2,620,586	3,133,538
5. Benefit and loss related payments.....	(6,516,607)	4,619,404
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	5,074,385	6,343,339
8. Dividends paid to policyholders.....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	1,235,934	(817,458)
10. Total (Lines 5 through 9).....	(206,287)	10,145,285
11. Net cash from operations (Line 4 minus Line 10).....	2,826,873	(7,011,747)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	30,093,195	21,186,402
12.2 Stocks.....	326,315	195,671
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	7,111,687	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0
12.7 Miscellaneous proceeds.....	107,151	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	37,638,348	21,382,073
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	33,814,796	29,760,825
13.2 Stocks.....	0	0
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	0
13.6 Miscellaneous applications.....	5,750,937	195,670
13.7 Total investments acquired (Lines 13.1 to 13.6).....	39,565,733	29,956,495
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14).....	(1,927,385)	(8,574,422)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0
16.5 Dividends to stockholders.....	0	0
16.6 Other cash provided (applied).....	2,628,984	463,550
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	2,628,984	463,550
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	3,528,472	(15,122,619)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	22,482,907	37,605,526
19.2 End of year (Line 18 plus Line 19.1).....	26,011,379	22,482,907

Part 1

NONE

Part 1A

NONE

Part 1B

NONE

ANNUAL STATEMENT FOR THE YEAR 2009 OF THE STONEWALL INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire				.0	.0	.0	.0	.0
2. Allied lines				.0	.0	.0	.0	.0
3. Farmowners multiple peril				.0	.0	.0	.0	.0
4. Homeowners multiple peril				.0	.0	.0	.0	.0
5. Commercial multiple peril				.0	.0	.0	.0	.0
6. Mortgage guaranty				.0	.0	.0	.0	.0
8. Ocean marine				.0	.0	.0	.0	.0
9. Inland marine				.0	.0	.0	.0	.0
10. Financial guaranty				.0	.0	.0	.0	.0
11.1 Medical professional liability - occurrence				.0	.0	.0	.0	.0
11.2 Medical professional liability - claims-made				.0	.0	.0	.0	.0
12. Earthquake				.0	.0	.0	.0	.0
13. Group accident and health				.0	.0	.0	.0	.0
14. Credit accident and health (group and individual)				.0	.0	.0	.0	.0
15. Other accident and health				.0	.0	.0	.0	.0
16. Workers' compensation				.0	.0	.0	.0	.0
17.1 Other liability - occurrence	2,886,774	448,607	5,330,862	(1,995,481)	29,255,765	39,164,831	(11,904,547)	.0
17.2 Other liability - claims-made				.0	.0	.0	.0	.0
17.3 Excess Workers' Compensation				.0	.0	.0	.0	.0
18.1 Products liability - occurrence	1,097,031	360,845	4,472,965	(3,015,089)	31,744,007	25,999,857	2,729,062	.0
18.2 Products liability - claims-made				.0	.0	.0	.0	.0
19.1,19.2 Private passenger auto liability				.0	.0	.0	.0	.0
19.3,19.4 Commercial auto liability				.0	.0	.0	.0	.0
21. Auto physical damage				.0	.0	.0	.0	.0
22. Aircraft (all perils)				.0	.0	.0	.0	.0
23. Fidelity				.0	.0	.0	.0	.0
24. Surety				.0	.0	.0	.0	.0
26. Burglary and theft				.0	.0	.0	.0	.0
27. Boiler and machinery				.0	.0	.0	.0	.0
28. Credit				.0	.0	.0	.0	.0
29. International		360,838	9,117	351,721	3,110,205	7,014,316	(3,552,391)	.0
30. Warranty				.0	.0	.0	.0	.0
31. Reinsurance - Nonproportional Assumed Property	XXX			.0	.0	.0	.0	.0
32. Reinsurance - Nonproportional Assumed Liability	XXX	57,448	5,119	52,329	1,963,529	4,848,196	(2,832,338)	.0
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX			.0	.0	.0	.0	.0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.0
35. TOTALS	3,983,806	1,227,738	9,818,063	(4,606,519)	66,073,506	77,027,200	(15,560,214)	0.0
DETAILS OF WRITE-INS								
3401.								
3402.								
3403.								
3498. Summary of remaining write-ins for Line 34 from overflow page	.0	.0	.0	.0	.0	.0	.0	.0
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0.0

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ANNUAL STATEMENT FOR THE YEAR 2009 OF THE STONEWALL INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire				.0				.0	
2. Allied lines				.0				.0	
3. Farmowners multiple peril				.0				.0	
4. Homeowners multiple peril				.0				.0	
5. Commercial multiple peril				.0				.0	
6. Mortgage guaranty				.0				.0	
8. Ocean marine				.0				.0	
9. Inland marine				.0				.0	
10. Financial guaranty				.0				.0	
11.1 Medical professional liability - occurrence				.0				.0	
11.2 Medical professional liability - claims-made				.0				.0	
12. Earthquake				.0				.0	
13. Group accident and health				.0			(a)	.0	
14. Credit accident and health (group and individual)				.0			(a)	.0	
15. Other accident and health				.0				.0	
16. Workers' compensation				.0				.0	
17.1 Other liability - occurrence	65,264,635	2,877,766	41,505,333	26,637,068	2,825,070	1,228,515	1,434,889	29,255,765	14,266,224
17.2 Other liability - claims-made				.0				.0	
17.3 Excess Workers' Compensation				.0				.0	
18.1 Products liability - occurrence	63,207,965	493,000	33,737,130	29,963,834	2,736,045	210,461	1,166,333	31,744,007	13,427,748
18.2 Products liability - claims-made				.0				.0	
19.1,19.2 Private passenger auto liability				.0				.0	
19.3,19.4 Commercial auto liability				.0				.0	
21. Auto physical damage				.0				.0	
22. Aircraft (all perils)				.0				.0	
23. Fidelity				.0				.0	
24. Surety				.0				.0	
26. Burglary and theft				.0				.0	
27. Boiler and machinery				.0				.0	
28. Credit				.0				.0	
29. International		2,412,822	321,533	2,091,289		1,030,031	11,116	3,110,205	820,371
30. Warranty				.0				.0	
31. Reinsurance - Nonproportional Assumed Property	XXX			.0	XXX			.0	
32. Reinsurance - Nonproportional Assumed Liability	XXX	1,390,577	19,993	1,370,584	XXX	593,636	691	1,963,529	483,308
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX			.0	XXX			.0	
34. Aggregate write-ins for other lines of business	.0	.0	.0	.0	.0	.0	.0	.0	.0
35. TOTALS	128,472,600	7,174,165	75,583,989	60,062,776	5,561,115	3,062,643	2,613,028	66,073,506	28,997,650
DETAILS OF WRITE-INS									
3401.									
3402.									
3403.									
3498. Summary of remaining write-ins for Line 34 from overflow page	.0	.0	.0	.0	.0	.0	.0	.0	.0
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0	0

(a) Including \$ for present value of life indemnity claims.

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UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	2,712,313			2,712,313
1.2 Reinsurance assumed	18,855			18,855
1.3 Reinsurance ceded	846,988			846,988
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	1,884,181	0	0	1,884,181
2. Commission and brokerage:				
2.1 Direct, excluding contingent				0
2.2 Reinsurance assumed, excluding contingent				0
2.3 Reinsurance ceded, excluding contingent				0
2.4 Contingent-direct				0
2.5 Contingent-reinsurance assumed				0
2.6 Contingent-reinsurance ceded				0
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	0	0	0
3. Allowances to manager and agents				0
4. Advertising				0
5. Boards, bureaus and associations				0
6. Surveys and underwriting reports				0
7. Audit of assureds' records				0
8. Salary and related items:				
8.1 Salaries				0
8.2 Payroll taxes				0
9. Employee relations and welfare				0
10. Insurance		22,206		22,206
11. Directors' fees				0
12. Travel and travel items		522		522
13. Rent and rent items		2,345		2,345
14. Equipment				0
15. Cost or depreciation of EDP equipment and software				0
16. Printing and stationery				0
17. Postage, telephone and telegraph, exchange and express				0
18. Legal and auditing	1,098,107	182,296	180,039	1,460,443
19. Totals (Lines 3 to 18)	1,098,107	207,369	180,039	1,485,516
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$	1,631	1,334		2,965
20.2 Insurance department licenses and fees	60,629	49,606		110,235
20.3 Gross guaranty association assessments	440	360		800
20.4 All other (excluding federal and foreign income and real estate)	880	720		1,600
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	63,580	52,020	0	115,600
21. Real estate expenses				0
22. Real estate taxes				0
23. Reimbursements by uninsured plans				0
24. Aggregate write-ins for miscellaneous expenses	0	804,695	0	804,695
25. Total expenses incurred	3,045,868	1,064,085	180,039	(a) 4,289,991
26. Less unpaid expenses - current year	28,997,650	130,000		29,127,650
27. Add unpaid expenses - prior year	29,136,511	955,572	0	30,092,083
28. Amounts receivable relating to uninsured plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	3,184,729	1,889,656	180,039	5,254,424
DETAILS OF WRITE-INS				
2401. Run-Off Expenses		787,500		787,500
2402. Consulting fees		15,358		15,358
2403. Misc Expenses		1,838		1,838
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	0	804,695	0	804,695

(a) Includes management fees of \$ 1,750,000 to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 797,939	804,537
1.1 Bonds exempt from U.S. tax	(a) 14,128	12,128
1.2 Other bonds (unaffiliated)	(a) 1,833,684	2,036,979
1.3 Bonds of affiliates	(a) 0	0
2.1 Preferred stocks (unaffiliated)	(b) 0	0
2.11 Preferred stocks of affiliates	(b) 0	0
2.2 Common stocks (unaffiliated)	0	0
2.21 Common stocks of affiliates	0	0
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 80,696	28,222
7. Derivative instruments	(f)	
8. Other invested assets	116,643	116,643
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	2,843,090	2,998,508
11. Investment expenses		(g) 180,039
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h) 21,990
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		202,029
17. Net investment income (Line 10 minus Line 16)		2,796,479
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		0

- (a) Includes \$ 36,428 accrual of discount less \$ 153,340 amortization of premium and less \$ 98,981 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5. Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	94,696		94,696		
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	(755,380)		(755,380)	(22,585)	
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	326,315	0	326,315	(1,110,197)	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	0	0	0	0	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	(334,369)	0	(334,369)	(1,132,782)	0
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule-E Part 1), cash equivalents (Schedule-E Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Other invested assets (Schedule BA)	0	1,360,749	1,360,749
8. Receivables for securities	0	0	0
9. Aggregate write-ins for invested assets	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	0	1,360,749	1,360,749
11. Title plants (for Title insurers only).....	0	0	0
12. Investment income due and accrued	0	0	0
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
13.3 Accrued retrospective premiums.....	0	0	0
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers	0	0	0
14.2 Funds held by or deposited with reinsured companies	0	0	0
14.3 Other amounts receivable under reinsurance contracts	0	0	0
15. Amounts receivable relating to uninsured plans	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
16.2 Net deferred tax asset.....	0	0	0
17. Guaranty funds receivable or on deposit	0	0	0
18. Electronic data processing equipment and software.....	0	0	0
19. Furniture and equipment, including health care delivery assets.....	0	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
21. Receivables from parent, subsidiaries and affiliates	0	0	0
22. Health care and other amounts receivable.....	0	0	0
23. Aggregate write-ins for other than invested assets	0	771,519	771,519
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	0	2,132,268	2,132,268
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
26. Total (Lines 24 and 25)	0	2,132,268	2,132,268
DETAILS OF WRITE-INS			
0901.			
0902.			
0903.			
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above)	0	0	0
2301. Misc Receivable.....	0	771,519	771,519
2302.			
2303.			
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	0	771,519	771,519

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of the Company have been prepared in conformity with accounting practice prescribed or permitted by the NAIC *Accounting Practices and Procedures* manual and the State of Rhode Island.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policies

- (1) Short-term investments are stated at cost.
- (2) Bonds, including issuer obligations, mortgage-backed securities and asset backed securities rated 1 and 2 are stated at amortized cost using the interest method; all others are stated at the lower of amortized cost or market.
- (3) Common Stocks, other than investments in stocks of subsidiaries and affiliates, are reported at fair market values as determined by the Securities Valuation of the NAIC.
- (4) Preferred Stocks – High quality redeemable preferred stocks (NAIC designations 1 and 2), which have characteristics of debt securities, shall be valued at cost or amortized cost. All other redeemable preferred stocks (NAIC designations 3 – 6) shall be reported at the lower of cost, amortized cost or fair value.
- (5) The Company does not have mortgage loans.
- (6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair market value. The prospective adjustment method is used to value all securities.
- (7,8) The Company has no interest, direct or indirect in the capital stock or ownership of any other company.
- (9) The Company does not own derivatives.
- (10) Premium Deficiency – Not Applicable
- (11) Loss/Claim Adjustment Expenses – Asbestos, Environmental and Other Latent Injury Type Claims

Direct Losses – An exposure analysis on an account by account basis is performed and the appropriate reserves are established whether it be case reserves or a bulk IBNR reserve. IBNR reserves are established for the unknown or unreported cases, adverse development on known cases and allocated loss adjustment expenses.
- (12) Capitalization Policy

Not Applicable.
- (13) Not applicable as the Company does not write major medical insurance with prescription drug coverage.

2. Accounting Changes and Corrections of Errors

- A. The Company recorded a prior period adjustment in the amount of \$771,519. This adjustment was to record additional incurred expenses for Resolute Management Inc. for claim servicing fees from April 2006 through December 2008. This transaction was recorded as a prior period adjustment and a direct charge to Surplus.

3. Business Combinations and Goodwill

A. Statutory Purchase Method

The Company had no goodwill recorded.

B. Statutory Merger

The Company was not part of a statutory merger during the year.

C. Impairment Loss

NOTES TO FINANCIAL STATEMENTS

Not applicable

4. Discontinued Operations

Not applicable

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

The Company had no investments in mortgage loans or mezzanine real estate loans.

B. Debt Restructuring

The Company had no restructured debt invested assets.

C. Reverse Mortgages

The Company had no investments in reverse mortgages.

D. Loan Backed Securities

(2). Mortgage backed securities are valued using anticipated prepayment assumptions as of the date of purchase. These assumptions continue to be reasonable in the current interest rate and economic environment. The prospective adjustment method is used to value structured securities. Fair values of mortgage backed securities are estimated using values obtained from independent pricing services or are based on expected future cash flows discounted using a current market rate applicable to the yield, credit quality and maturity of the investments.

(4). The Company has not recognized any other-than-temporary impairments on its mortgage backed securities.

(5). The Company has not recognized any other-than-temporary impairments on its mortgage backed securities.

(6). The Company has no impaired mortgage backed securities in which the fair value is less than cost or amortized cost for which an other-than-temporary impairment has not been recognized.

(7). The Company reviews its investment portfolio for factors that may indicate that a decline in fair value of an investment is other than temporary. The Company evaluates the prospects of the issuers, including, but not limited to, the length of time and magnitude of the unrealized loss, the credit ratings of the issuers of the investments in the above securities and the opinions of investment managers as well as considering the Company's intentions to sell or ability to hold investments.

E. Repurchase Agreements and/or Securities Lending Transactions

The Company has no repurchase agreements at December 31, 2009.

F. Real Estate

Not applicable

G. Low-Income Housing Tax Credits

Not applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

A. Detail for Those Greater than 10% of Admitted Assets

Not applicable

B. Writedowns for Impairment of Joint Ventures, Partnerships and LLCs

Not applicable

7. Investment Income

A. Accrued Investment Income

The Company nonadmits investment income due and accrued if amounts are over 90 days past due (180 days for mortgage loans or amounts on mortgage loans in default).

B. Amounts Nonadmitted

NOTES TO FINANCIAL STATEMENTS

Not applicable

8. Derivative Instruments

A - F. Not applicable

9. Income Taxes

A. Components of Deferred Tax Assets (DTAs) and Deferred Tax Liabilities (DTLs):

(1)	2009		
	Ordinary	Capital	Total
Gross deferred tax assets	\$ 3,147,301	\$ 1,654,443	\$ 4,801,744
Statutory valuation allowance	-	-	-
Adjusted gross deferred tax assets	3,147,301	1,654,443	4,801,744
Gross deferred tax liabilities	11,158,378	-	11,158,378
Net deferred tax asset/(liability) before admissibility test	\$ (8,011,077)	\$ 1,654,443	\$ (6,356,634)
Admitted pursuant to Section 10.a.	-	-	-
Section 10.b.i.	N/A	N/A	-
Section 10.b.ii.	N/A	N/A	6,127,835
Admitted pursuant to Section 10.b (lesser of i. or ii.)	-	-	-
Admitted pursuant to Section 10.c.	3,147,301	-	3,147,301
Admitted deferred tax asset	3,147,301	-	3,147,301
Deferred tax liability	11,158,378	-	11,158,378
Net admitted DTA or DTL	\$ (8,011,077)	\$ -	\$ (8,011,077)
Nonadmitted DTA	\$ 1,654,443	\$ -	\$ 1,654,443
	2008		
	Ordinary	Capital	Total
Gross deferred tax assets	\$ 6,499,114	\$ 1,424,269	\$ 7,923,383
Statutory valuation allowance	-	-	-
Adjusted gross deferred tax assets	6,499,114	1,424,269	7,923,383
Gross deferred tax liabilities	13,465,573	-	13,465,573
Net deferred tax asset/(liability) before admissibility test	\$ (6,966,459)	\$ 1,424,269	\$ (5,542,190)
Admitted pursuant to Section 10.a.	-	-	-
Section 10.b.i.	N/A	N/A	-
Section 10.b.ii.	N/A	N/A	5,930,187
Admitted pursuant to Section 10.b (lesser of i. or ii.)	-	-	-
Admitted pursuant to Section 10.c.	6,499,114	-	6,499,114
Admitted deferred tax asset	6,499,114	-	6,499,114
Deferred tax liability	13,465,573	-	13,465,573
Net admitted DTA or DTL	\$ (6,966,459)	\$ -	\$ (6,966,459)
Nonadmitted DTA	\$ 1,424,269	\$ -	\$ 1,424,269
(2)	The Company has not elected to admit DTAs pursuant to paragraph 10.e. Such election was not available in 2008.		
(3)	Not applicable.		
(4)	With Sections 10.a.-c.	With Section 10.e.	Difference
Admitted DTAs	3,147,301	N/A	N/A
Admitted assets	92,186,782	N/A	N/A
Statutory surplus	60,851,426	N/A	N/A
Total adjusted capital	60,851,426	N/A	N/A
Authorized control level used in 10.d.	N/A	N/A	N/A

B. There are no temporary differences for which a DTL has not been established.

C. Current Tax and Change in Deferred Tax:

Current income taxes incurred consist of the following major components:

	2009	2008
Current income tax expense	\$ 985,198	\$ (356,191)
Tax on capital gains/(losses)	(60,492)	0
Federal income taxes incurred	\$ 924,706	\$ (356,191)

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities are as follows:

NOTES TO FINANCIAL STATEMENTS

	December 31, 2009	December 31, 2008	Change	Character
DTAs Resulting From Book/Tax Differences in				
Unpaid losses and LAE	\$ 3,147,301	\$ 3,730,389	\$ (583,088)	Ordinary
Surplus notes	-	2,768,725	(2,768,725)	Ordinary
Stocks and bonds	1,654,443	1,424,269	230,174	Capital
Capital loss carryforward	-	-	-	Capital
Gross DTAs	<u>\$ 4,801,744</u>	<u>\$ 7,923,383</u>	<u>\$ (3,121,639)</u>	
Nonadmitted DTAs	<u>\$ 1,654,443</u>	<u>\$ 1,424,269</u>	<u>\$ 230,174</u>	
DTLs Resulting From Book/Tax Differences in				
Retroactive reinsurance	\$ 11,016,474	\$ 11,321,833	\$ (305,359)	Ordinary
Note payable - National Indemnity Co.	-	1,957,341	(1,957,341)	Ordinary
Reinsurance recoverable	141,904	186,399	(44,495)	Ordinary
Gross DTLs	<u>\$ 11,158,378</u>	<u>\$ 13,465,573</u>	<u>\$ (2,307,195)</u>	
	December 31, 2008	December 31, 2007	Change	Character
DTAs Resulting From Book/Tax Differences in				
Unpaid losses and LAE	\$ 3,730,389	\$ 4,021,367	\$ (290,978)	Ordinary
Surplus notes	2,768,725	2,768,725	0	Ordinary
Stocks and bonds	1,424,269	1,581,855	(157,586)	Capital
Capital loss carryforward	0	106,091	(106,091)	Capital
Gross DTAs	<u>\$ 7,923,383</u>	<u>\$ 8,478,038</u>	<u>\$ (554,655)</u>	
Nonadmitted DTAs	<u>\$ 1,424,269</u>	<u>\$ 1,687,946</u>	<u>\$ (263,677)</u>	
DTLs Resulting From Book/Tax Differences in				
Retroactive reinsurance	\$ 11,321,833	\$ 11,402,769	\$ (80,936)	Ordinary
Note payable - National Indemnity Co.	1,957,341	1,957,341	0	Ordinary
Reinsurance recoverable	186,399	345,854	(159,455)	Ordinary
Gross DTLs	<u>\$ 13,465,573</u>	<u>\$ 13,705,964</u>	<u>\$ (240,391)</u>	

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	December 31, 2009	December 31, 2008	Change
Total deferred tax assets	\$ 4,801,744	\$ 7,923,383	\$ (3,121,639)
Total deferred tax liabilities	11,158,378	13,465,573	(2,307,195)
Net deferred tax assets/(liabilities)	<u>\$ (6,356,634)</u>	<u>\$ (5,542,190)</u>	(814,444)
Tax effect of unrealized (gains)/losses			-
Change in net deferred income tax			<u>\$ (814,444)</u>
	December 31, 2008	December 31, 2007	Change
Total deferred tax assets	\$ 7,923,383	\$ 8,478,038	\$ (554,655)
Total deferred tax liabilities	13,465,573	13,705,965	(240,392)
Net deferred tax assets/(liabilities)	<u>\$ (5,542,190)</u>	<u>\$ (5,227,927)</u>	(314,263)
Tax effect of unrealized (gains)/losses			-
Change in net deferred income tax			<u>\$ (314,263)</u>

D. Reconciliation of Federal Income Tax Rate to Actual Effective Tax Rate:

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

	December 31, 2009		December 31, 2008	
	Tax Effect	Effective Tax Rate	Tax Effect	Effective Tax Rate
Income Before Taxes	\$ 1,418,935	35.0%	\$ (337,021)	35.0%
Tax-Exempt Interest	(6,694)	-0.2%	(13,005)	1.4%
Other, including Prior Year True-Up	326,908	8.1%	308,098	-32.0%
Total	<u>\$ 1,739,150</u>	<u>42.9%</u>	<u>\$ (41,928)</u>	<u>4.4%</u>
Federal income taxes incurred		\$ 985,198		\$ (356,191)
Tax on capital gains/(losses)		(60,492)		-
Change in net deferred income tax		814,444		314,263
Total statutory income taxes		<u>\$ 1,739,150</u>		<u>\$ (41,928)</u>

- E. At December 31, 2009, the Company had no net operating loss carryforwards.
 At December 31, 2009, the Company had no capital loss carryforwards.
 At December 31, 2009, the Company had no AMT credit carryforward.

NOTES TO FINANCIAL STATEMENTS

The following is income tax expense for 2008 and 2009 that is available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2008	\$ -	\$ -	\$ -
2009	-	-	-
Total	\$ -	\$ -	\$ -

The Company had no deposits admitted under Internal Revenue Code Section 6603.

- F. The Company joins with Seaton Insurance Company in the filing of a consolidated federal income tax return by Stonewall Acquisition Company, common parent company of the group.

The consolidated tax liability is allocated among affiliates based on the separate tax return liability of each member for the applicable year. To the extent the sum of the separate tax return liabilities of all members exceeds or is less than the consolidated tax liability, such differences shall be allocated to each member to the extent that member's items or attributes are reflected in the group tax liability.

10. Information Concerning Parent, Subsidiaries and Affiliates

A. Nature of Relationships

On June 13, 2008 Virginia Holdings Ltd acquired 44.4% of Stonewall Acquisition Corp, the parent of Stonewall Insurance Co. Virginia Holdings Ltd is ultimately owned by Enstar Group Ltd. Enstar (US) Inc., also a subsidiary of Enstar Group Ltd has been the Run-off Administrator for Stonewall Insurance Company since January 2006. The terms of the agreement between Enstar (US) Inc and Stonewall Insurance Co are contained in a written agreement between the parties.

B. Detail of Transactions Greater than ½% of Admitted Assets

Pursuant to the management agreement with Enstar (US) Inc., the Company incurred \$1,750,000 in fees and miscellaneous expenses.

C. Change in terms of Intercompany Arrangements

Not Applicable

D. Amounts Due to or from Related Parties

The Company has recorded a payable due to Enstar (US) Inc. in the amount of \$591,549 for Administration Fees due for the 2009 calendar year.

E. Guarantees or Contingencies for Related Parties

Not Applicable

F. Management, Service Contracts, Cost Sharing Arrangements

The Company has a management agreement with Enstar (US) Inc. On June 13, 2008, Virginia Holding Ltd acquired 44.4% of Stonewall Acquisition Corp, the parent of the Company. Enstar (US) Inc and Virginia Holding Ltd are both ultimately owned by Enstar Group Ltd. The management agreement between the Company and Enstar (US) Inc. provides certain run-off services for a fixed quarterly fee plus various other expenses. This agreement has been in place since January 2006.

G. Nature of Relationships that Could Affect Operations

All outstanding shares of the Company are owned by the Parent.

H. Amount Deducted for Investment in Upstream Company

The Company owns no shares of an upstream intermediate or ultimate parent, either directly or indirectly.

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

The Company holds no investments in its Parent or affiliates.

J. Write down for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies

The Company holds no investments in its Parent or affiliates.

K. Foreign Subsidiary Valued Using CARVM

Not applicable

L. Downstream Holding Company Valued Using Look-Through Method

NOTES TO FINANCIAL STATEMENTS

Not applicable

11. Debt

The Company had no capital notes outstanding. The Company has no other debt outstanding.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plan

The Company had no Defined benefit plan.

B. Defined Contribution Plan

The Company had no Defined Contribution Plan

C. Multiemployer Plans

The Company does not participate in a multiemployer plan.

D. Consolidated / Holding Company Plans

The Company does not participate in a consolidated/holding company plan.

E. Postemployment Benefits and Compensated Absences

The Company has no employees and had no obligation for postemployment benefits or compensated absences.

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

The Company had no postretirement benefits.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

(1) Outstanding Shares

The Company does not have preferred stock authorized or issued. The Company has 100,000 shares of common stock authorized, with 100,000 shares issued and outstanding at a Par Value of \$20.00 per share.

(2) Dividend Rate of Preferred Stock

The Company has no preferred stock issued or outstanding.

(3 - 6) Dividend Restrictions

Dividends on common stock are paid as declared by the Board of Directors. Under the insurance regulations of Rhode Island, the maximum amount of dividends that the Company may pay to the shareholders in a twelve month period is limited to the lesser of the 10% of the most recent year-end policyholders' surplus or the net income for that same year-end but subject to restrictions related to statutory surplus. The maximum dividend payout which may be made by the Company without prior regulatory approval during 2010 is \$0.

(7) Mutual Surplus Advances

Not applicable

(8) Company Stock Held for Special Purposes

Not applicable

(9) Changes in Special Surplus Funds

Changes in balances of special surplus funds from the prior year are due to the changes in the Retroactive Reinsurance that is disclosed as a separate write-in. Refer to Note #22 (F)

(10) Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented or (reduced) by unrealized gains or losses in 2009 is (\$1,132,782).

(11) Surplus Notes

Not applicable

NOTES TO FINANCIAL STATEMENTS

(12-13) Quasi Reorganizations

Not applicable

14. Contingencies

A. Contingent Commitments

Not applicable

B. Assessments

Not applicable

C. Gain Contingencies

Not applicable

D. Extra Contractual Obligation and Bad Faith Losses

In the 2009 reporting period, the company did not settle any claims that included extra contractual obligation or bad faith claims stemming from lawsuits.

E. All Other Contingencies

Lawsuits arise against the Company in the normal course of business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

15. Leases

A. Lessee Operating Lease

The Company does not have any material lease obligations at this time.

B. Lessor Leases

The Company had not entered into any leasing arrangement where the company is the lessor.

16. Information about Financial Instruments With Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

A. Face or Contract Amounts

B. Nature and Terms

C. Exposure to Credit-Related Losses

D. Collateral Policy

The Company does not have financial instruments with off-balance sheet risk or concentrations of risk.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

The Company did not have any transfers of receivables reported as sales

B. Transfer and Servicing of Financial Assets

The Company had no transfer or servicing of financial assets.

C. Wash Sales

The Company did not have any wash sales.

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

A. Administrative Services Only (ASO) Plans

Not applicable

B. Administrative Services Contract (ASC) Plans

Not applicable

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

NOTES TO FINANCIAL STATEMENTS

Not applicable

19. Direct Premium Written / Produced by Managing General Agents / Third Party Administrators

The Company had no direct premiums written by third party administrators or managing general agents.

20. Other Items

A. Extraordinary Items

Not applicable

B. Troubled Debt Restructuring

Not applicable

C. Other Disclosures

Not applicable

D. Uncollectible Premiums Receivable

Not applicable

E. Business Interruption Insurance Recoveries

Not applicable

F. State Transferable Tax Credits

Not applicable

G. Subprime Mortgage Related Risk Exposure

- (1) The Company believes it has minimal exposure to subprime mortgage related risk. The Company holds no mortgage-backed securities other than securities issued by government-sponsored entities ("GSEs") organized or chartered by the U.S. government. None of the Company's holdings of mortgage-backed securities were issued by private entities.

The Company believes it has minimal exposure to unrealized losses due to changes in asset values, and realized losses from receiving less than anticipated cash flows, due to only holding mortgage-backed securities of high quality issued by GSEs.

- (2) The Company has no direct exposure to subprime mortgage related risk through investments in subprime mortgage loans.
- (3) The Company has no direct exposure to subprime mortgage related risk through other investments.
- (4) The Company does not provide mortgage guaranty or financial guaranty insurance coverage. Therefore, it has no exposure to subprime mortgage related risk through the provision of such insurance.

21. Events Subsequent

Type I: On December 3, 2009, Columbia Insurance Company ("Columbia"), an indirect subsidiary of Berkshire Hathaway Inc., entered into a stock purchase agreement with Stonewall Acquisition Corporation ("Stonewall") and certain of its affiliates, to acquire from Stonewall all of the outstanding capital stock of the Company. Closing of the sale transaction is subject to regulatory approval, which is pending as of February 15, 2010.

Type II: None as of February 15, 2010.

22. Reinsurance

A. Unsecured Reinsurance Recoverables

Non-Affiliated unsecured aggregate recoverables as shown in Schedule F, Part 3 for paid and unpaid losses, including IBNR, unpaid adjustment expenses and unearned premiums that exceed 3% of the Company's policyholder surplus are as follows: (000's omitted)

<u>NAIC#</u>	<u>Fed ID</u>	<u>Reinsurer</u>	<u>Amount</u>
19232	36-0719665	Allstate Insurance Co.	3,982
10227	13-4924125	Munich Re America	6,993
25070	13-2781282	Clearwater Insurance Co	3,736
22039	13-2673100	General Reinsurance Co	6,563

NOTES TO FINANCIAL STATEMENTS

21032	13-5009848	Global Re Corp of Amer (Constitution)	8,370
11266	13-3107326	Global Re Corp US Branch	6,362
34835	13-1988169	National Reinsurance Corp	3,078
22047	13-2930109	North Star Reinsurance Corp	4,134
30058	75-1444207	Scor Reinsurance Company	4,482
25364	13-1675535	Swiss Reinsurance America Corp	5,191
12858	62-0381170	Tennessee Insurance Co.	1,878
33014	75-0784127	Transport Insurance Company	4,062
20583	13-1290712	XL Reinsurance Amer, Inc(NAC Re)	8,341
		TOTAL	67,172

B. Reinsurance Recoverables in Dispute

None

C. Reinsurance Assumed and Ceded

There is no return commission due reinsurers if the reinsurance agreements were cancelled at 12/31/09. The Company had no additional or return commissions predicated on loss experience or any other form of profit sharing agreements included in this annual statement as a result of existing contractual arrangements. All contracts of reinsurance covering losses that occurred prior to the inception of the contract (i.e. retroactive reinsurance) have been accounted for in conformity with NAIC guidelines.

D. Uncollectible Reinsurance

The Company has written off certain reinsurance recoverables on loss and loss adjustment expense payments in the amount of \$177,431, reflected as:

a. Losses Incurred	\$	0
b. Loss Adjustment Exp Incurred	\$	177,431
c. Premiums Earned	\$	0
d. Other	\$	0

<u>Reinsurer</u>	<u>Amount</u>
ACE Property and Casualty	\$ 1,889
American Agricultural Ins. Co.	10
Munich Re America	2,474
Employers Mutual Casualty	69
Global Re Corp of Amer (Constitution)	45,299
Global Re Corp. US Branch	98,279
Hannover Ruckversicherungs Ag	16
Swiss Re America Corp.	28,482
XL Reinsurance America, Inc. (NAC Re)	915
TOTAL	\$177,431

E. The Company commuted ceded reinsurance treaties in 2009 with two reinsurers. The ceded amounts cleared by the Company due to these commutations are as follows:

<u>Reinsurer</u>	<u>Ceded Reserves</u>	<u>Ceded Recoverables</u>
Scor Re/Societe Commerciale De Reins	\$1,110,312	\$ 449,740
San Fransisco Re	250,000	23,373
Total	\$1,360,312	\$ 473,113

F. Retroactive Reinsurance

The Company purchased an aggregate reinsurance agreement effective May 1, 2000 which provides reinsurance for the Company's run-off business

	<u>Assumed</u>	<u>Ceded</u>
1. Reserves Transferred		
1. Initial Reserves	NONE	108,858,672
2. Adjustments – prior years		30,641,792
3. Adjustments – current year		(9,719,148)
4. Current Total		129,781,316
2. Consideration Paid or Received		
1. Initial Consideration	NONE	126,000,000
2. Adjustments – prior years		
3. Adjustments – current year		
4. Current Total		126,000,000

NOTES TO FINANCIAL STATEMENTS

3. Paid Losses Reimbursed or Recovered

1. Prior years	NONE	52,828,090
2. Current year		2,037,435
3. Current Total		54,865,525

4. Special Surplus from Retroactive Reinsurance

1. Initial Surplus Gain/(Loss)	NONE	(16,395,916)
2. Adjustments – prior years		29,896,380
3. Adjustments – current year		(9,719,148)
4. Current Year Restricted Surplus		3,781,316
5. Cumulative Total Transferred to Unassigned Funds		

5. All cedants and reinsurers involved in all transactions included in the summary total above:

Assumed: NONE

Ceded:

<u>NAIC # Reinsurer</u>	<u>Ceded Amount</u>
20087 National Indemnity Company	129,781,316

6. Paid Loss and LAE amounts recoverable more than 90 days overdue and collateral held:

<u>NAIC # Reinsurer</u>	<u>Loss and LAE Payable</u>	<u>Amount 90 days overdue</u>
20087 National Indemnity Company	10,084,209	0

G Reinsurance Accounted for as a Deposit

Not Applicable

23. Retrospectively Rated Contracts & Contracts Subject to Redetermination

The Company had no accrued retrospective premiums at December 31, 2009.

24. Changes in Incurred Losses and Loss Adjustment Expenses

Due to the run-off status of the Company, all incurred changes are attributable to insured events of prior years. Net reserves (prior to retroactive reinsurance) for incurred losses and allocated loss adjustment expenses attributable to insured events of prior years has decreased by \$10,189,090 to \$85,000,000 at 12/31/2009 as a result of settlements and reserve re-estimation of unpaid losses and loss adjustment expenses on “Other Liability” and “Product Liability” lines of business. This long tail business is primarily related to Asbestos, Environment, Mass Tort and some Assumed reinsurance business. All loss activity (excluding ULAE) is 100% reinsured either through standard reinsurance programs, Quota Share treaties or through retroactive reinsurance placed in 2000 resulting in zero net reserves. In addition, the Company is carrying a ULAE Reserve of \$10,071,157.

25. Intercompany Pooling Arrangements

None

26. Structured Settlements

A. Reserves Released due to Purchase of Annuities

The Company purchased one annuity during 1990, under which the Company is owner and payee, to fund future payments that are fixed or determinable by settlement provisions or by workings of statutes. The aggregate amount of this annuity is -0-. The total value of all annuities due from one life insurer does not equal or exceed 1% of the Company’s policyholders’ surplus.

B. Annuity Insurers with balances due greater than 1% of policyholders surplus Present value amounts due from one life insurer equaling or exceeding 1% of the Company’s policyholders’ surplus are:

<u>Company Name & Location</u>	<u>Reserves eliminated by Annuities</u>	<u>Present Value of Annuities</u>
Genworth Financial Lynchburg, VA.	1,581,073	1,336,855
Life Insurance Co. of No. America Hartford, CT.	1,479,323	1,056,165
Manufacturers Life Ins. Co. Boston, MA.	2,976,028	1,800,796
Symetra Life Insurance	1,333,000	1,932,901

NOTES TO FINANCIAL STATEMENTS

Seattle, WA.
Western National Life Ins. Co. 1,278,606 7,177,243
Amarillo, TX.

27. Health Care Receivables

None

28. Participating Policies

None

29. Premium Deficiency Reserves

None

30. High Deductibles

None

31. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

None

32. Asbestos / Environmental Reserves**Asbestos:*****Direct***

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Beginning Reserves	\$ 170,860,000	\$ 140,389,000	\$ 103,728,000	\$ 103,565,000	\$ 98,835,000
Incurred Loss and LAE	(6,641,000)	(26,372,000)	1,043,000	(965,000)	4,117,941
Calendar Year Payments for Loss and LAE	23,830,000	10,289,000	1,206,000	3,765,000	1,371,480
Ending Reserves	\$ 140,389,000	\$ 103,728,000	\$ 103,565,000	\$ 98,835,000	\$ 101,581,461

The 2009 ending reserves above include a gross bulk reserve of \$4,647,400. The bulk reserve is a contingency for adverse development on known cases, unreported cases and allocated loss adjustment expense including coverage disputes. The bulk reserves are derived by independent actuarial studies.

Assumed

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Beginning Reserves	\$ 2,443,000	\$ 2,274,000	\$ 2,296,000	\$ 2,027,000	\$ 4,522,000
Incurred Loss and LAE	1,136,000	27,000	(176,000)	2,495,000	(356,007)
Calendar Year Payments for Loss and LAE	1,305,000	5,000	93,000	-	539,008
Ending Reserves	\$ 2,274,000	\$ 2,296,000	\$ 2,027,000	\$ 4,522,000	\$ 3,626,985

The 2009 ending reserves above include a gross bulk reserve of \$0. The bulk reserve is a contingency for adverse development on known cases, unreported cases and allocated loss adjustment expense including coverage disputes. The bulk reserves are derived by independent actuarial studies.

Net of Reinsurance

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Beginning Reserves	\$ 56,851,000	\$ 47,359,000	\$ 40,772,000	\$ 46,382,000	\$ 44,425,000
Incurred Loss and LAE	515,000	(3,345,000)	8,444,000	(1,071,000)	(5,933,667)
Calendar Year Payments for Loss and LAE	10,007,000	3,242,000	2,834,000	886,000	(5,375,022)
Ending Reserves	\$ 47,359,000	\$ 40,772,000	\$ 46,382,000	\$ 44,425,000	\$ 43,866,355

The 2009 ending reserves above include gross bulk reserves of (\$4,927). The bulk reserve is a contingency for adverse development on known cases, unreported cases and allocated loss adjustment expense including coverage disputes. The bulk reserves are derived by independent actuarial studies. The net reserves do not reflect the 2000 purchase of retroactive reinsurance which is reflected in the balance sheet and income statement.

NOTES TO FINANCIAL STATEMENTS

Environmental*Direct*

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Beginning Reserves	\$ 71,673,000	\$ 53,938,000	\$ 47,474,000	\$ 45,410,000	\$ 18,265,000
Incurred Loss and LAE	(11,860,000)	(5,450,000)	(717,000)	(23,618,000)	29,015,265
Calendar Year Payments for Loss and LAE	5,875,000	1,014,000	1,347,000	3,527,000	4,640,152
Ending Reserves	\$ 53,938,000	\$ 47,474,000	\$ 45,410,000	\$ 18,265,000	\$ 42,640,113

The 2009 ending reserves above include a gross bulk reserve of \$18,773,205. The bulk reserve is a contingency for adverse development on known cases, unreported cases and allocated loss adjustment expense including coverage disputes. The bulk reserves are derived by independent actuarial studies.

Assumed

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Beginning Reserves	\$ 2,398,000	\$ 2,228,000	\$ 2,231,000	\$ 2,231,000	\$ 483,000
Incurred Loss and LAE	(170,000)	60,000	-	(1,748,000)	3,138,929
Calendar Year Payments for Loss and LAE	-	57,000	-	-	124,005
Ending Reserves	\$ 2,228,000	\$ 2,231,000	\$ 2,231,000	\$ 483,000	\$ 3,497,924

The 2009 ending reserves above include a gross bulk reserve of \$1,524,504. The bulk reserve is a contingency for adverse development on known cases, unreported cases and allocated loss adjustment expense including coverage disputes. The bulk reserves are derived by independent actuarial studies.

Net of Reinsurance

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Beginning Reserves	\$ 46,057,000	\$ 35,311,000	\$ 31,311,000	\$ 28,644,000	\$ 10,550,000
Incurred Loss and LAE	(7,411,000)	(3,496,000)	(1,350,000)	(15,317,000)	20,528,216
Calendar Year Payments for Loss and LAE	3,335,000	504,000	1,317,000	2,777,000	2,215,272
Ending Reserves	\$ 35,311,000	\$ 31,311,000	\$ 28,644,000	\$ 10,550,000	\$ 28,862,944

The 2009 ending reserves above include a gross bulk reserve of \$16,727,472. The bulk reserve is a contingency for adverse development on known cases, unreported cases and allocated loss adjustment expense including coverage disputes. The bulk reserves are derived by independent actuarial studies.

The net reserves do not reflect the 2000 purchase of retroactive reinsurance which is reflected in the balance sheet and income statement.

33. Subscriber Savings Accounts

None

34. Multiple Peril Crop Insurance

None

35. Financial Guarantee Insurance

None

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] NA []
- 1.3 State Regulating? Rhode Island.....
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2008
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/2004
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).05/17/2006
- 3.4 By what department or departments? Rhode Island Department of Business Regulation.....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [X] No [] NA []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] NA []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....
.....
.....

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [X] No []
- 6.2 If yes, give full information Arkansas suspended certificate - Stonewall no longer writes business in the state.
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [X] No []
- 7.2 If yes,
- 7.21 State the percentage of foreign control100.0
- 7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney - in - fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney - in - fact).

1 Nationality	2 Type of Entity
Bermuda 55.6%.....	Limited Partnership.....
Bermuda 44.4%.....	Corporation.....
.....
.....

ANNUAL STATEMENT FOR THE YEAR 2009 OF THE STONEWALL INSURANCE COMPANY

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 Deloitte & Touche
 Stamford Harbor Park
 333 Ludlow Street
 Stamford, CT 06902
10. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?.....
 Ernst & Young, LLP, John Dawson, 200 Clarendon Street, Boston, MA 02116
- 11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 11.11 Name of real estate holding company
- 11.12 Number of parcels involved.....
- 11.13 Total book/adjusted carrying value..... \$.....
- 11.2 If yes, provide explanation
12. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 12.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 12.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 12.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] NA []
- 13.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 13.11 If the response to 13.1 is No, please explain:
- 13.2 Has the code of ethics for senior managers been amended?..... Yes [] No [X]
- 13.21 If the response to 13.2 is Yes, provide information related to amendment(s).
- 13.3 Have any provisions of the code of ethics been waived for any of the specified officers?..... Yes [] No [X]
- 13.31 If the response to 13.3 is Yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

14. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
15. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
16. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?..... Yes [X] No []

GENERAL INTERROGATORIES

FINANCIAL

- 17. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 18.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
 - 18.11 To directors or other officers .. \$
 - 18.12 To stockholders not officers ... \$
 - 18.13 Trustees, supreme or grand (Fraternal only) \$
- 18.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
 - 18.21 To directors or other officers ... \$
 - 18.22 To stockholders not officers \$
 - 18.23 Trustees, supreme or grand (Fraternal only) \$
- 19.1 Were any assets reported in the statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 19.2 If yes, state the amount thereof at December 31 of the current year:
 - 19.21 Rented from others \$
 - 19.22 Borrowed from others \$
 - 19.23 Leased from others \$
 - 19.24 Other \$
- 20.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 20.2 If answer is yes:
 - 20.21 Amount paid as losses or risk adjustment \$
 - 20.22 Amount paid as expenses \$
 - 20.23 Other amounts paid \$
- 21.1 Does the reporting entity report any amounts due from the parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 21.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$

INVESTMENT

- 22.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 22.3)..... Yes [X] No []
- 22.2 If no, give full and complete information relating thereto:
- 22.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 16 where this information is also provide)
- 22.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?..... Yes [] No [] NA [X]
- 22.5 If answer to 22.4 is YES, report amount of collateral \$
- 22.6 If answer to 22.4 is NO, report amount of collateral..... \$
- 23.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 19.1 and 22.3) Yes [X] No []
- 23.2 If yes, state the amount thereof at December 31 of the current year:
 - 23.21 Subject to repurchase agreements \$
 - 23.22 Subject to reverse repurchase agreements..... \$
 - 23.23 Subject to dollar repurchase agreements..... \$
 - 23.24 Subject to reverse dollar repurchase agreements..... \$
 - 23.25 Pledged as collateral..... \$
 - 23.26 Placed under option agreements..... \$
 - 23.27 Letter stock or securities restricted as to sale..... \$
 - 23.28 On deposit with state or other regulatory body..... \$ 5,861,098
 - 23.29 Other..... \$

23.3 For category (23.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 24.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
- 24.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] NA [X]
If no, attach a description with this statement.
- 25.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]
- 25.2 If yes, state the amount thereof at December 31 of the current year. \$

GENERAL INTERROGATORIES

26. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F - Custodial or Safekeeping agreements of the NAIC Financial Condition Examiners Handbook? Yes [] No []

26.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
Wachovia Bank.....	1525 West WT Harris Blvd, Charlotte, NC 28288.....

26.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....
.....

26.03 Have there been any changes, including name changes, in the custodian(s) identified in 26.01 during the current year? Yes [] No []
 26.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....

26.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
11949.....	Madison Scottsdale.....	8777 N. Gainey Center Dr, Ste 220, Scottsdale, AZ 85258.....

27.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [] No []
 27.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....
.....
27.2999 TOTAL		0

27.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding Of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
.....
.....

GENERAL INTERROGATORIES

28. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-) or Fair Value over Statement (+)
28.1 Bonds.....	77,377,651	78,742,168	1,364,517
28.2 Preferred stocks.....	0	0	0
28.3 Totals	77,377,651	78,742,168	1,364,517

28.4 Describe the sources or methods utilized in determining the fair values:

SVO unit prices were used to determine Fair Market Value. For other Bonds and Stocks not priced by the SVO, the Company used prices provided by Interactive Data and/or prices provided by the custodian.....

29.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?..... Yes [] No [X]

29.2 If yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?..... Yes [] No []

29.3 If no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

30.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?..... Yes [X] No []

30.2 If no, list exceptions:

OTHER

31.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?.....\$

31.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....

32.1 Amount of payments for legal expenses, if any?.....\$449,962

32.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
DLA Piper UK LLP.....	183,771
Hargraves McConnell & Costigan, P.C.....	141,316

33.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?.....\$

33.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....

GENERAL INTERROGATORIES

(continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U.S. business only. \$0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$

1.31 Reason for excluding

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$0

1.6 Individual policies:

Most current three years:

- 1.61 Total premium earned \$0
- 1.62 Total incurred claims \$0
- 1.63 Number of covered lives 0

All years prior to most current three years:

- 1.64 Total premium earned \$0
- 1.65 Total incurred claims \$0
- 1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:

- 1.71 Total premium earned \$0
- 1.72 Total incurred claims \$0
- 1.73 Number of covered lives 0

All years prior to most current three years:

- 1.74 Total premium earned \$0
- 1.75 Total incurred claims \$0
- 1.76 Number of covered lives 0

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$0	\$0
2.2	Premium Denominator	\$0	\$0
2.3	Premium Ratio (2.1/2.2)0.000	0.000
2.4	Reserve Numerator	\$0	\$0
2.5	Reserve Denominator	\$95,377,611	\$106,591,911
2.6	Reserve Ratio (2.4/2.5)0.000	0.000

- 3.1 Does the reporting entity issue both participating and non-participating policies? Yes [] No [X]

3.2 If yes, state the amount of calendar year premiums written on:

- 3.21 Participating policies \$
- 3.22 Non-participating policies \$

4. For Mutual reporting entities and Reciprocal Exchanges only:

- 4.1 Does the reporting entity issue assessable policies? Yes [] No []
- 4.2 Does the reporting entity issue non-assessable policies? Yes [] No []
- 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? %
- 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums \$

5. For Reciprocal Exchanges Only:

- 5.1 Does the exchange appoint local agents? Yes [] No []
- 5.2 If yes, is the commission paid:

- 5.21 Out of Attorney's-in-fact compensation Yes [] No [] NA []
- 5.22 As a direct expense of the exchange Yes [] No [] NA []

5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [] No []

5.5 If yes, give full information

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:.....
 The Company is in run-off and has no inforce policies therefore has no need for new reinsurance agreements.....
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:.....
 Not Applicable.....
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?.....
 Not Applicable.....
- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?..... Yes [] No [X]
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss.
 The Company is in run-off and has no need for catastrophic reinsurance protection.....
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?..... Yes [] No [X]
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.....
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?..... Yes [] No []
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?..... Yes [X] No []
- 8.2 If yes, give full information
 Commutations were completed in 2009 with Scor Re/Societe Commerciale De Reins and San Francisco Re.....
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
 (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
 (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
 (c) Aggregate stop loss reinsurance coverage;
 (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
 (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
 (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity..... Yes [X] No []
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling agreements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member, where:
 (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
 (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract..... Yes [] No [X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
 (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
 (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
 (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 32 of SSAP No. 62, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
 (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
 (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?..... Yes [] No [X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
 (a) The entity does not utilize reinsurance; or, Yes [] No [X]
 (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [] No [X]
 (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [] No [X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [] N/A []

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force:..... Yes [] No [X]
 11.2 If yes, give full information
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 13.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
 12.11 Unpaid losses..... \$
 12.12 Unpaid underwriting expenses (including loss adjustment expenses)..... \$
- 12.2 Of the amount on Line 13.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?..... \$
 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [] No [] NA [X]
 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
 12.41 From..... %
 12.42 To..... %
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by the reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes [] No [X]
 12.6 If yes, state the amount thereof at December 31 of the current year:
 12.61 Letters of Credit..... \$
 12.62 Collateral and other funds..... \$
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):..... \$
 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [] No [X]
 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract?..... Yes [] No [X]
 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
- 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?..... Yes [] No []
 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?..... Yes [] No []
 14.5 If answer to 14.4 is no, please explain:
- 15.1 Has the reporting entity guaranteed any financed premium accounts?..... Yes [] No [X]
 15.2 If yes, give full information
- 16.1 Does the reporting entity write any warranty business? Yes [] No [X]
 If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home	\$	\$	\$	\$	\$
16.12 Products	\$	\$	\$	\$	\$
16.13 Automobile	\$	\$	\$	\$	\$
16.14 Other*	\$	\$	\$	\$	\$

* Disclose type of coverage:

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F – Part 3 that it excludes from Schedule F – Part 5. Yes [] No [X]

Incurred but not reported losses on contracts not in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F – Part 5. Provide the following information for this exemption:

- 17.11 Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5 \$
- 17.12 Unfunded portion of Interrogatory 17.11..... \$
- 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 \$
- 17.14 Case reserves portion of Interrogatory 17.11..... \$
- 17.15 Incurred but not reported portion of Interrogatory 17.11..... \$
- 17.16 Unearned premium portion of Interrogatory 17.11..... \$
- 17.17 Contingent commission portion of Interrogatory 17.11..... \$

Provide the following information for all other amounts included in Schedule F – Part 3 and excluded from Schedule F – Part 5, not included above.

- 17.18 Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5 \$
- 17.19 Unfunded portion of Interrogatory 17.18..... \$
- 17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18 \$
- 17.21 Case reserves portion of Interrogatory 17.18..... \$
- 17.22 Incurred but not reported portion of Interrogatory 17.18..... \$
- 17.23 Unearned premium portion of Interrogatory 17.18..... \$
- 17.24 Contingent commission portion of Interrogatory 17.18..... \$

18.1 Do you act as a custodian for health savings accounts?..... Yes [] No [X]

18.2 If yes, please provide the amount of custodial funds held as of the reporting date..... \$

18.3 Do you act as an administrator for health savings accounts?..... Yes [] No [X]

18.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$

ANNUAL STATEMENT FOR THE YEAR 2009 OF THE STONEWALL INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

	1 2009	2 2008	3 2007	4 2006	5 2005
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
6. Total (Line 35)	0	0	0	0	0
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
12. Total (Line 35)	0	0	0	0	0
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	11,450,260	(8,103,496)	(11,730,320)	4,473,154	4,990,407
14. Net investment gain (loss) (Line 11)	2,462,111	3,514,332	4,200,776	4,159,087	3,648,600
15. Total other income (Line 15)	(9,858,274)	3,626,248	7,523,661	(4,722,750)	(6,387,940)
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	924,706	(356,191)	217,234	44,831	4,191,103
18. Net income (Line 20)	3,129,391	(606,725)	(223,117)	3,864,660	(1,940,035)
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 24, Col. 3)	92,186,782	88,519,416	94,953,337	106,071,349	107,796,014
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 13.1)	0	0	0	0	0
20.2 Deferred and not yet due (Line 13.2)	0	0	0	0	0
20.3 Accrued retrospective premiums (Line 13.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 24)	31,335,356	29,985,125	35,616,507	49,514,310	51,822,672
22. Losses (Page 3, Line 1)	66,073,507	77,027,200	78,196,877	75,990,964	85,967,513
23. Loss adjustment expenses (Page 3, Line 3)	28,997,650	29,136,511	31,158,527	32,165,995	33,203,151
24. Unearned premiums (Page 3, Line 9)	0	0	0	0	0
25. Capital paid up (Page 3, Lines 28 & 29)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
26. Surplus as regards policyholders (Page 3, Line 35)	60,851,426	58,534,293	59,336,826	56,557,040	55,973,341
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	2,826,873	(7,011,747)	10,681,227	1,523,231	(25,200,009)
Risk-Based Capital Analysis					
28. Total adjusted capital	60,851,426	58,534,293	59,336,826	56,557,040	55,973,341
29. Authorized control level risk-based capital	15,150,423	15,718,955	15,264,871	15,795,915	17,906,772
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3)(Item divided by Page 2, Line 10, Col. 3) x 100.0					
30. Bonds (Line 1)	68.6	69.5	54.1	50.0	62.9
31. Stocks (Lines 2.1 & 2.2)	0.0	1.4	1.2	1.6	2.7
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5)	31.3	28.8	44.8	48.4	34.4
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Other invested assets (Line 7)	0.0	0.0	0.0	0.0	0.0
37. Receivables for securities (Line 8)	0.1	0.3	0.0	0.0	0.0
38. Aggregate write-ins for invested assets (Line 9)	0.0	0.0	0.0	0.0	0.0
39. Cash, cash equivalents and invested assets (Line 10)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
40. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)	0	0	0	0	0
41. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)	0	0	0	0	0
42. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	0	0	0	0	0
43. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
44. Affiliated mortgage loans on real estate	0	0	0	0	0
45. All other affiliated	0	0	0	0	0
46. Total of above Lines 40 to 45	0	0	0	0	0
47. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 46 above divided by Page 3, Col. 1, Line 35 x 100.0)	0.0	0.0	0.0	0.0	0.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2009	2 2008	3 2007	4 2006	5 2005
Capital and Surplus Accounts (Page 4)					
48. Net unrealized capital gains (losses) (Line 24)	(1,132,782)	135,753	1,008,201	(824,341)	(211,191)
49. Dividends to stockholders (Line 35)	0	0	0	0	0
50. Change in surplus as regards policyholders for the year (Line 38)	2,317,129	(802,533)	2,779,788	583,699	(5,680,469)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
51. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	4,793,257	7,124,040	1,215,314	12,790,390	27,691,558
52. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
53. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
54. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	360,838	914	0	0	0
55. Nonproportional reinsurance lines (Lines 31, 32 & 33)	57,448	138,894	555,652	27,382	536,513
56. Total (Line 35)	5,211,543	7,263,849	1,770,966	12,817,772	28,228,071
Net Losses Paid (Page 9, Part 2, Col. 4)					
57. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	(5,010,570)	3,858,929	2,383,191	2,649,812	10,492,750
58. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
59. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
60. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	351,721	914	0	0	(76,359)
61. Nonproportional reinsurance lines (Lines 31, 32 & 33)	52,329	138,894	555,652	27,382	536,513
62. Total (Line 35)	(4,606,519)	3,998,738	2,938,843	2,677,194	10,952,904
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
63. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
64. Losses incurred (Line 2)	0.0	0.0	0.0	0.0	0.0
65. Loss expenses incurred (Line 3)	0.0	0.0	0.0	0.0	0.0
66. Other underwriting expenses incurred (Line 4)	0.0	0.0	0.0	0.0	0.0
67. Net underwriting gain (loss) (Line 8)	0.0	0.0	0.0	0.0	0.0
Other Percentages					
68. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	0.0	0.0	0.0	0.0	0.0
69. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	0.0	0.0	0.0	0.0	0.0
70. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 35, Col. 1 x 100.0)	0.0	0.0	0.0	0.0	0.0
One Year Loss Development (000 omitted)					
71. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Col. 11)	(12,908)	3,712	7,108	(7,024)	(5,941)
72. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 71 above divided by Page 4, Line 21, Col. 1 x 100.0)	(22.1)	6.3	12.6	(12.5)	(9.6)
Two Year Loss Development (000 omitted)					
73. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(9,197)	10,820	84	(12,965)	588
74. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 73 above divided by Page 4, Line 21, Col. 2 x 100.0)	(15.5)	19.1	0.2	(21.0)	0.9

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [] No []
 If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES
SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported - Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	5,212	9,818	2,731	847	1,301	0	0	(1,422)	XXX
2. 2000	0	0	0	0	0	0	0	0	0	0	0	XXX
3. 2001	0	0	0	0	0	0	0	0	0	0	0	XXX
4. 2002	0	0	0	0	0	0	0	0	0	0	0	XXX
5. 2003	0	0	0	0	0	0	0	0	0	0	0	XXX
6. 2004	0	0	0	0	0	0	0	0	0	0	0	XXX
7. 2005	0	0	0	0	0	0	0	0	0	0	0	XXX
8. 2006	0	0	0	0	0	0	0	0	0	0	0	XXX
9. 2007	0	0	0	0	0	0	0	0	0	0	0	XXX
10. 2008	0	0	0	0	0	0	0	0	0	0	0	XXX
11. 2009	0	0	0	0	0	0	0	0	0	0	0	XXX
12. Totals	XXX	XXX	XXX	5,212	9,818	2,731	847	1,301	0	0	(1,422)	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding - Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
	13	14	15	16	17	18	19	20	21	22			
1.	135,647	75,584	8,624	2,613	0	0	23,729	4,803	10,071	0	0	95,071	XXX
2.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
3.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
4.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
5.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
7.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
8.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
9.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
10.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
11.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
12. Totals	135,647	75,584	8,624	2,613	0	0	23,729	4,803	10,071	0	0	95,071	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	66,074	28,998
2.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
3.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
4.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
5.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
6.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
7.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
8.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
9.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
10.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
11.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	66,074	28,998

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements which will reconcile Part 1 with Parts 2 and 4.

ANNUAL STATEMENT FOR THE YEAR 2009 OF THE STONEWALL INSURANCE COMPANY

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1 2000	2 2001	3 2002	4 2003	5 2004	6 2005	7 2006	8 2007	9 2008	10 2009	11 One Year	12 Two Year
1. Prior	111,397	108,165	109,844	116,456	122,985	117,044	110,020	117,128	120,840	107,932	(12,908)	(9,197)
2. 2000	0	0	0	0	0	0	0	0	0	0	0	0
3. 2001	XXX	0	0	0	0	0	0	0	0	0	0	0
4. 2002	XXX	XXX	0	0	0	0	0	0	0	0	0	0
5. 2003	XXX	XXX	XXX	0	0	0	0	0	0	0	0	0
6. 2004	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0	0
7. 2005	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0
8. 2006	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0
9. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
10. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	XXX
11. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX
12. Totals											(12,908)	(9,197)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1 2000	2 2001	3 2002	4 2003	5 2004	6 2005	7 2006	8 2007	9 2008	10 2009	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
1. Prior	000	4,681	(4,598)	(5,332)	(235)	12,921	14,826	19,728	25,654	22,932	XXX	XXX
2. 2000	0	0	0	0	0	0	0	0	0	0	XXX	XXX
3. 2001	XXX	0	0	0	0	0	0	0	0	0	XXX	XXX
4. 2002	XXX	XXX	0	0	0	0	0	0	0	0	XXX	XXX
5. 2003	XXX	XXX	XXX	0	0	0	0	0	0	0	XXX	XXX
6. 2004	XXX	XXX	XXX	XXX	0	0	0	0	0	0	XXX	XXX
7. 2005	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	XXX	XXX
8. 2006	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	XXX	XXX
9. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	XXX	XXX
10. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	XXX
11. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 2000	2 2001	3 2002	4 2003	5 2004	6 2005	7 2006	8 2007	9 2008	10 2009
1. Prior	91,797	67,230	70,268	72,335	72,336	67,995	65,263	59,703	49,589	24,937
2. 2000	0	0	0	0	0	0	0	0	0	0
3. 2001	XXX	0	0	0	0	0	0	0	0	0
4. 2002	XXX	XXX	0	0	0	0	0	0	0	0
5. 2003	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2004	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2005	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2006	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
10. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

ANNUAL STATEMENT FOR THE YEAR 2009 OF THE STONEWALL INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	L	0	0	0	93,228	2,034,408	0	0
2. Alaska	AK	L	0	0	0	0	0	0	0
3. Arizona	AZ	L	0	0	13,038	(497,230)	2,154,945	0	0
4. Arkansas	AR	L	0	0	0	(147,746)	521,703	0	0
5. California	CA	L	0	0	2,393,670	3,922,745	16,015,255	0	0
6. Colorado	CO	L	0	0	0	0	0	0	0
7. Connecticut	CT	N	0	0	0	0	0	0	0
8. Delaware	DE	L	0	0	0	(1,477,292)	5,216,432	0	0
9. District of Columbia	DC	N	0	0	0	0	0	0	0
10. Florida	FL	L	0	0	(58,907)	(639,761)	1,801,489	0	0
11. Georgia	GA	L	0	0	0	(147,729)	521,643	0	0
12. Hawaii	HI	N	0	0	0	0	0	0	0
13. Idaho	ID	L	0	0	0	0	0	0	0
14. Illinois	IL	L	0	0	(8,907)	(797,384)	2,240,413	0	0
15. Indiana	IN	L	0	0	0	0	0	0	0
16. Iowa	IA	L	0	0	0	0	0	0	0
17. Kansas	KS	L	0	0	85,009	(1,661,150)	6,165,823	0	0
18. Kentucky	KY	L	0	0	0	0	0	0	0
19. Louisiana	LA	L	0	0	0	3,273,355	4,277,513	0	0
20. Maine	ME	N	0	0	0	0	0	0	0
21. Maryland	MD	L	0	0	0	(739)	2,608	0	0
22. Massachusetts	MA	L	0	0	0	0	0	0	0
23. Michigan	MI	L	0	0	10,976	9,941	3,652	0	0
24. Minnesota	MN	L	0	0	0	0	0	0	0
25. Mississippi	MS	L	0	0	0	(16)	56	0	0
26. Missouri	MO	L	0	0	85,009	(405,176)	2,747,185	0	0
27. Montana	MT	L	0	0	0	0	0	0	0
28. Nebraska	NE	L	0	0	0	0	0	0	0
29. Nevada	NV	L	0	0	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0	0	0
32. New Mexico	NM	L	0	0	0	0	0	0	0
33. New York	NY	L	0	0	24,992	490,070	3,557,705	0	0
34. North Carolina	NC	L	0	0	0	0	0	0	0
35. North Dakota	ND	L	0	0	0	0	0	0	0
36. Ohio	OH	L	0	0	0	(140,057)	5,221,764	0	0
37. Oklahoma	OK	L	0	0	0	(288,569)	546,237	0	0
38. Oregon	OR	L	0	0	855,000	1,625,505	1,131,966	0	0
39. Pennsylvania	PA	N	0	0	522,381	(1,870,375)	12,343,422	0	0
40. Rhode Island	RI	L	0	0	0	0	0	0	0
41. South Carolina	SC	L	0	0	0	0	0	0	0
42. South Dakota	SD	L	0	0	0	0	0	0	0
43. Tennessee	TN	L	0	0	11,545	(40,161)	182,575	0	0
44. Texas	TX	L	0	0	50,000	9,808,758	29,736,330	0	0
45. Utah	UT	L	0	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0	0
47. Virginia	VA	L	0	0	0	(8,863,767)	31,298,710	0	0
48. Washington	WA	L	0	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0	0
50. Wisconsin	WI	L	0	0	0	689,154	6,311,883	0	0
51. Wyoming	WY	L	0	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0	0
57. Canada	CN	N	0	0	0	0	0	0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0
59. Totals	(a) 42	0	0	0	3,983,806	2,935,606	134,033,715	0	0
DETAILS OF WRITE-INS									
5801.	XXX								
5802.	XXX								
5803.	XXX								
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 + 5898) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

Explanation of basis of allocation of premiums by states, etc.

(a) Insert the number of L responses except for Canada and Other Alien.

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