



QUARTERLY STATEMENT

As of June 30, 2010
of the Condition and Affairs of the

AAA Southern New England Insurance Company

NAIC Group Code.....	NAIC Company Code..... 12487	Employer's ID Number..... 20-3462094
(Current Period) (Prior Period)		
Organized under the Laws of Rhode Island	State of Domicile or Port of Entry Rhode Island	Country of Domicile US
Incorporated/Organized..... September 14, 2005	Commenced Business..... January 1, 2006	
Statutory Home Office	110 Royal Little Drive..... Providence RI 02904 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	110 Royal Little Drive..... Providence RI 02904 <i>(Street and Number) (City or Town, State and Zip Code)</i>	401-868-6520 <i>(Area Code) (Telephone Number)</i>
Mail Address	110 Royal Little Drive..... Providence RI 02904 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>	
Primary Location of Books and Records	110 Royal Little Drive..... Providence RI 02904 <i>(Street and Number) (City or Town, State and Zip Code)</i>	401-868-6520 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.AAA.com	
Statutory Statement Contact	Russell Stephen Manty <i>(Name)</i> smanty@aaasne.com <i>(E-Mail Address)</i>	401-868-2000-2106 <i>(Area Code) (Telephone Number) (Extension)</i> 401-868-2013 <i>(Fax Number)</i>

OFFICERS

Name	Title	Name	Title
1. Mark Allen Shaw	President	2. Francis Xavier Doyle	Vice President and Secretary
3. Russell Stephen Manty	Treasurer	4. Caroline Mary Gilroy	Assistant Secretary

OTHER

DIRECTORS OR TRUSTEES

Joseph Francis Whinery Jr. William Alfred Mekrut	Mark Allen Shaw	John Michael Costello	Paul Anthony McCraven
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State of..... Rhode Island
County of..... Providence

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.

_____ (Signature) Mark Allen Shaw 1. (Printed Name) President (Title)	_____ (Signature) Francis Xavier Doyle 2. (Printed Name) Vice President and Secretary (Title)	_____ (Signature) Russell Stephen Manty 3. (Printed Name) Treasurer (Title)
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Subscribed and sworn to before me
This _____ day of _____

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 _____

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	34,321,040		34,321,040	35,435,003
2. Stocks:				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....	7,777,736		7,777,736	9,002,684
3. Mortgage loans on real estate:				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....26,206), cash equivalents (\$.....0) and short-term investments (\$.....1,645,991).....	1,672,197		1,672,197	2,518,375
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives.....			.0	
8. Other invested assets.....			.0	
9. Receivables for securities.....			.0	
10. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
11. Subtotals, cash and invested assets (Lines 1 to 10).....	43,770,973	.0	43,770,973	46,956,062
12. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
13. Investment income due and accrued.....	481,279		481,279	483,551
14. Premiums and considerations:				
14.1 Uncollected premiums and agents' balances in the course of collection.....			.0	
14.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			.0	
14.3 Accrued retrospective premiums.....			.0	
15. Reinsurance:				
15.1 Amounts recoverable from reinsurers.....			.0	
15.2 Funds held by or deposited with reinsured companies.....			.0	
15.3 Other amounts receivable under reinsurance contracts.....			.0	
16. Amounts receivable relating to uninsured plans.....			.0	
17.1 Current federal and foreign income tax recoverable and interest thereon.....			.0	
17.2 Net deferred tax asset.....	986,004	883,763	102,241	114,780
18. Guaranty funds receivable or on deposit.....			.0	
19. Electronic data processing equipment and software.....			.0	
20. Furniture and equipment, including health care delivery assets (\$.....0).....			.0	
21. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
22. Receivables from parent, subsidiaries and affiliates.....			.0	
23. Health care (\$.....0) and other amounts receivable.....			.0	
24. Aggregate write-ins for other than invested assets.....	.0	.0	.0	.0
25. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 through 24).....	45,238,256	883,763	44,354,493	47,554,393
26. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
27. Total (Lines 25 and 26).....	45,238,256	883,763	44,354,493	47,554,393

DETAILS OF WRITE-INS

1001 .....			.0	
1002 .....			.0	
1003 .....			.0	
1098. Summary of remaining write-ins for Line 10 from overflow page.....	.0	.0	.0	.0
1099. Totals (Lines 1001 thru 1003 plus 1098) (Line 10 above).....	.0	.0	.0	.0
2401. Receivable from quota share agreement.....			.0	
2402 .....			.0	
2403 .....			.0	
2498. Summary of remaining write-ins for Line 24 from overflow page.....	.0	.0	.0	.0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	.0	.0	.0	.0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....0).....	4,934,375	5,881,174
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....	1,781,351	3,134,187
4. Commissions payable, contingent commissions and other similar charges.....		
5. Other expenses (excluding taxes, licenses and fees).....	48,401	57,293
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....		
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	1,118,141	989,564
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....0 and including warranty reserves of \$.....0).....		
10. Advance premium.....		
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....		
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....		
15. Remittances and items not allocated.....		
16. Provision for reinsurance.....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	3,670	2,760
20. Derivatives.....		
21. Payable for securities.....		297,767
22. Liability for amounts held under uninsured plans.....		
23. Capital notes \$.....0 and interest thereon \$.....0.....		
24. Aggregate write-ins for liabilities.....	662,859	1,715,009
25. Total liabilities excluding protected cell liabilities (Lines 1 through 24).....	8,548,797	12,077,754
26. Protected cell liabilities.....		
27. Total liabilities (Lines 25 and 26).....	8,548,797	12,077,754
28. Aggregate write-ins for special surplus funds.....	0	0
29. Common capital stock.....	1,620,000	1,620,000
30. Preferred capital stock.....		
31. Aggregate write-ins for other than special surplus funds.....	0	0
32. Surplus notes.....		
33. Gross paid in and contributed surplus.....	30,880,000	30,880,000
34. Unassigned funds (surplus).....	3,305,696	2,976,639
35. Less treasury stock, at cost:		
35.1 .....0.000 shares common (value included in Line 29 \$.....0).....		
35.2 .....0.000 shares preferred (value included in Line 30 \$.....0).....		
36. Surplus as regards policyholders (Lines 28 to 34, less 35).....	35,805,696	35,476,639
37. Totals.....	44,354,493	47,554,393

DETAILS OF WRITE-INS

2401. Payable on quota share agreement.....	662,859	1,715,009
2402.		
2403.		
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	662,859	1,715,009
2801.		
2802.		
2803.		
2898. Summary of remaining write-ins for Line 28 from overflow page.....	0	0
2899. Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above).....	0	0
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page.....	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198) (Line 31 above).....	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$0)			
1.2 Assumed..... (written \$0)		18,595,752	18,595,752
1.3 Ceded..... (written \$0)			
1.4 Net..... (written \$0)	0	18,595,752	18,595,752
DEDUCTIONS:			
2. Losses incurred (current accident year \$0):			
2.1 Direct.....			
2.2 Assumed.....	718,278	11,530,632	10,813,660
2.3 Ceded.....			
2.4 Net.....	718,278	11,530,632	10,813,660
3. Loss adjustment expenses incurred.....	(1,203,155)	2,163,576	2,460,147
4. Other underwriting expenses incurred.....	85,054	4,937,557	(666,574)
5. Aggregate write-ins for underwriting deductions.....	0	55,000	55,000
6. Total underwriting deductions (Lines 2 through 5).....	(399,823)	18,686,765	12,662,233
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	399,823	(91,013)	5,933,519
INVESTMENT INCOME			
9. Net investment income earned.....	653,316	980,949	1,673,290
10. Net realized capital gains (losses) less capital gains tax of \$0	119,516	(76,446)	380,153
11. Net investment gain (loss) (Lines 9 + 10).....	772,832	904,503	2,053,443
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$0 amount charged off \$0).....	0		
13. Finance and service charges not included in premiums.....			
14. Aggregate write-ins for miscellaneous income.....	0	0	0
15. Total other income (Lines 12 through 14).....	0	0	0
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	1,172,655	813,490	7,986,962
17. Dividends to policyholders.....			
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).....	1,172,655	813,490	7,986,962
19. Federal and foreign income taxes incurred.....	128,577	92,000	735,520
20. Net income (Line 18 minus Line 19) (to Line 22).....	1,044,078	721,490	7,251,442
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	35,476,640	27,623,317	27,623,317
22. Net income (from Line 20).....	1,044,078	721,490	7,251,442
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$(245,868).....	(456,615)	18,178	1,258,622
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	(70,557)	105,024	(1,517,005)
27. Change in nonadmitted assets.....	(187,850)	(27,043)	860,264
28. Change in provision for reinsurance.....			
29. Change in surplus notes.....			
30. Surplus (contributed to) withdrawn from protected cells.....			
31. Cumulative effect of changes in accounting principles.....			
32. Capital changes:			
32.1 Paid in.....			
32.2 Transferred from surplus (Stock Dividend).....			
32.3 Transferred to surplus.....			
33. Surplus adjustments:			
33.1 Paid in.....			
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....			
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	329,056	817,649	7,853,323
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	35,805,696	28,440,966	35,476,640
DETAILS OF WRITE-INS			
0501. Corporate expenses assumed from The Commerce Insurance Company.....		55,000	55,000
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	55,000	55,000
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	0	0	0
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....		17,845,221	8,417,716
2. Net investment income.....	847,976	1,232,745	2,270,285
3. Miscellaneous income.....			
4. Total (Lines 1 through 3).....	847,976	19,077,966	10,688,001
5. Benefit and loss related payments.....	2,693,701	10,657,014	18,580,853
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	261,792	6,856,144	5,072,336
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....			(284,044)
10. Total (Lines 5 through 9).....	2,955,493	17,513,158	23,369,145
11. Net cash from operations (Line 4 minus Line 10).....	(2,107,517)	1,564,808	(12,681,144)
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	3,221,339	5,803,894	23,223,787
12.2 Stocks.....	1,568,190	167,321	5,069,829
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			4
12.7 Miscellaneous proceeds.....			
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	4,789,529	5,971,215	28,293,620
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	2,308,251	6,880,669	14,218,047
13.2 Stocks.....	922,172	752,981	1,074,937
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....	297,767	700,968	169,563
13.7 Total investments acquired (Lines 13.1 to 13.6).....	3,528,190	8,334,618	15,462,547
14. Net increase (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	1,261,339	(2,363,403)	12,831,073
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....			
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			
16.6 Other cash provided (applied).....			
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	0	0	0
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(846,178)	(798,595)	149,929
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	2,518,375	2,368,446	2,368,446
19.2 End of period (Line 18 plus Line 19.1).....	1,672,197	1,569,851	2,518,375

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001			
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NOTES TO FINANCIAL STATEMENTS**Note 1 - Summary of Significant Accounting Policies**

No significant change.

Note 2 - Accounting Changes and Corrections of Errors

Not applicable.

Note 3 - Business Combinations and Goodwill

Not applicable.

Note 4 - Discontinued Operations

Not applicable.

Note 5 - Investments

No significant change.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

Not applicable.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

Not applicable.

Note 9 - Income Taxes

A. Components of Net Deferred Tax Assets

	June 30, 2010			December 31, 2009		
	Ordinary	Capital	Total	Ordinary	Capital	Total
1. Total gross deferred tax assets	\$ 166,153	\$ 892,704	\$ 1,058,857	\$ 197,794	\$ 934,535	\$ 1,132,329
2. Total gross deferred tax liabilities		72,853	72,853	2,915	318,721	321,636
3. Net deferred tax asset			986,004			810,693
4. Nonadmitted deferred tax assets			883,763			695,913
5. Net admitted deferred tax assets			\$ 102,241			\$ 114,780
6. (Increase) decrease in nonadmitted deferred tax assets			\$ (187,850)			\$ 860,264

7. The Company has not elected to admit additional deferred tax assets pursuant to SSAP No. 10R, paragraph 10(e). The current period election does not differ from the prior reporting period.

8. Not applicable.

9. Not applicable.

10. Not applicable.

NOTES TO FINANCIAL STATEMENTS**B. Unrecognized Deferred Tax Liabilities**

Not applicable.

C. Current Tax and Change in Deferred Tax

The provisions for income taxes incurred on earnings are:

	<u>June 30, 2010</u>	<u>December 31, 2009</u>
Federal	\$ 128,577	\$ 735,520
Foreign		
Realized capital gains tax		
Federal and foreign income taxes incurred	<u>\$ 128,577</u>	<u>\$ 735,520</u>

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

	<u>June 30, 2010</u>	<u>December 31, 2009</u>
Deferred tax assets		
Discount of unpaid losses and LAE	\$ 152,278	\$ 197,794
Investment related items	906,579	934,535
Total deferred tax assets	<u>1,058,857</u>	<u>1,132,329</u>
Nonadmitted deferred tax assets	883,763	695,913
Admitted deferred tax assets	<u>175,094</u>	<u>436,416</u>
Deferred tax liabilities		
Investment related items		2,915
Net unrealized capital gains	72,853	318,721
Total deferred tax liabilities	<u>72,853</u>	<u>321,636</u>
Net admitted deferred tax assets	<u>\$ 102,241</u>	<u>\$ 114,780</u>

The change in net deferred income taxes is comprised of the following:

	<u>June 30, 2010</u>	<u>December 31, 2009</u>	<u>Change</u>
Total gross deferred tax assets	\$ 1,058,857	\$ 1,132,329	\$ (73,472)
Total gross deferred tax liabilities	72,853	321,636	(248,783)
Net deferred tax asset	<u>986,004</u>	<u>810,693</u>	<u>175,311</u>
Deferred tax on change in net unrealized capital gains (losses)	72,853	318,721	(245,868)
Change in net deferred income tax	<u>\$ 1,058,857</u>	<u>\$ 1,129,414</u>	<u>\$ (70,557)</u>

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

The significant items causing a difference between the statutory federal income tax rate and the Company's effective income tax rate are as follows:

	<u>June 30, 2010</u>	<u>Effective Tax Rate</u>	<u>December 31, 2009</u>	<u>Effective Tax Rate</u>
Provision computed at statutory rate	\$ 410,429	35.0 %	\$ 2,795,437	35.0 %
Tax-exempt income deduction	(223,011)	(19.0)	(564,157)	(7.1)
Dividends received deduction	(25,571)	(2.2)	(66,276)	(0.8)
Proration of investment income	37,287	3.2	94,565	1.2
Prior year true-up			(7,044)	(0.1)
Totals	<u>\$ 199,134</u>	<u>17.0%</u>	<u>\$ 2,252,525</u>	<u>28.2%</u>
Federal and foreign income taxes incurred	\$ 128,577	11.0 %	\$ 735,520	9.2 %
Change in net deferred income taxes	70,557	6.0	1,517,005	19.0
Total statutory income taxes	<u>\$ 199,134</u>	<u>17.0%</u>	<u>\$ 2,252,525</u>	<u>28.2 %</u>

NOTES TO FINANCIAL STATEMENTS

E. Operating Loss and Tax Credit Carryforwards

1. The Company does not have any unused operating loss carryforwards available to offset against future taxable income.
2. The Company's income tax expense for 2009 that is available for recoupment in the event of future net losses is \$742,564. The Company incurred a loss for 2007 and 2008.
3. The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return

1. The Company's federal income tax return is consolidated with the following entities:
 - AAA Southern New England
 - Automobile Club Insurance Agency, Inc.
 - AAA Insurance Agency, Inc. (a Connecticut corporation)
 - AAA Insurance Agency, Inc. (a Massachusetts corporation)
 - AAA SNE Holding, Inc.
 - AAA Southern New England Mortgage Corporation
 - AAA Southern New England Bank
 - AAA Auto Glass, Inc.
 - AAA Driver Training School, Inc.
 - Blue Hen Investment Company, Inc.
 - Club Service Centers, Inc.
2. The Company maintains a written tax allocation agreement with its ultimate parent, AAA Southern New England. The tax allocation agreement provides for the allocation of the consolidated tax based upon each subsidiaries' contribution to taxable income.

To the extent that a payor member of the consolidated group has future net operating losses that it cannot absorb in the year incurred, other members within the group will refund payments to the payor.

Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Nature of relationships

As of December 31, 2009, 95.7% of the outstanding shares of the Company were owned by AAA SNE Holding, Inc., a Rhode Island Corporation. The remaining outstanding shares of the Company were owned by AAA Merrimack Valley, Inc. (Merrimack Valley).

As of December 31, 2009, Merrimack Valley exercised its put option pursuant to the Stock Purchase and Agreement dated March 31, 2007. AAA SNE Holding, Inc. bought back the outstanding shares owned by Merrimack Valley for \$1,600,421 in May 2010 and now owns 100% of the outstanding shares of the Company.

B. Detail of Transactions greater than 1/2% of Admitted Assets

Not applicable.

C. Change in Terms of Intercompany Arrangements

Not applicable.

D. Amounts Due to or from Related Parties

At June 30, 2010, the Company reported \$3,670 payable to AAA Southern New England, an affiliated company.

E. Guarantees or Contingencies for Related Parties

Not applicable.

F. Management, Service Contracts, Cost Sharing Arrangements

The Company maintains an Intercompany Service Agreement with its ultimate parent, AAA Southern New England, to provide managerial and office related support to the Company. Amounts are billed to the Company on a quarterly basis and reimbursed during the subsequent quarter. The Company also maintains a written Tax Allocation Agreement as described in Note 9 (F) (2).

G. Nature of Relationships that Could Affect Operations

The outstanding shares of the Company are 100% owned by AAA SNE Holding, Inc., a Rhode Island Corporation.

NOTES TO FINANCIAL STATEMENTS

- H. Amount Deducted for Investment in Upstream Company
Not applicable.
- I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets
Not applicable.
- J. Writedown for Impairment of Investments in Affiliates
Not applicable.
- K. Foreign Subsidiary Valued Using CARVM
Not applicable.
- L. Downstream Holding Company Valued Using Look-Through Method
Not applicable.

Note 11 - Debt

Not applicable.

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

Not applicable.

Note 13 - Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

- A. Outstanding Shares

The Company has 1,000 shares, no par value common shares authorized of which 162 shares are issued and outstanding as of June 30, 2010. The Company also has 100,000 shares of cumulative preferred stock, \$100 par value authorized of which no shares are issued.

- B. Dividend Rate of Preferred Stock

Not applicable.

- C., D., E. and F. Dividend Restrictions

Dividends on common stock are paid as declared by the Board of Directors of the Company. Under the insurance regulations of Rhode Island, the maximum amount of dividends that the Company may pay to shareholders in a twelve month period is limited to the lesser of 10% of the most recent year-end policyholders' surplus or the net income for that same year excluding realized capital gains. There were no dividends declared during the current period.

- G. Mutual Surplus Advances

Not applicable.

- H. Company Stock Held for Special Purposes

Not applicable.

- I. Changes in Special Surplus Funds

Not applicable.

- J. Changes in Unassigned Funds

Unassigned funds (surplus) has been increased by cumulative unrealized capital gains of \$135,298, net of applicable deferred taxes of \$72,853.

NOTES TO FINANCIAL STATEMENTS

K. Surplus Notes

Not applicable.

L. and M. Quasi Reorganizations

Not applicable.

Note 14 - Contingencies

Not applicable.

Note 15 - Leases

Not applicable.

Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

Not applicable.

Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Not applicable.

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

Not applicable.

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

Not applicable.

Note 20 - Other Items

Not applicable.

Note 21 - Events Subsequent

Not applicable.

Note 22 - Reinsurance

No significant change.

Note 23 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not applicable.

Note 24 - Change in Incurred Losses and Loss Adjustment Expenses

The estimated cost of loss and loss adjustment expenses attributed to insured events of prior years decreased by \$485,000 during the current period. The redundancy of \$485,000 is approximately 5.4% of the unpaid losses and LAE of \$9,016,000 as of the prior year-end. The favorable development is due primarily to lower than anticipated losses related to personal automobile liability.

Note 25 - Intercompany Pooling Arrangements

Not applicable.

Note 26 - Structured Settlements

Not applicable.

NOTES TO FINANCIAL STATEMENTS

Note 27 - Health Care Receivables

Not applicable.

Note 28 - Participating Policies

Not applicable.

Note 29 - Premium Deficiency Reserves

Not applicable.

Note 30 - High Deductibles

Not applicable.

Note 31 - Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

Not applicable.

Note 32 - Asbestos/Environmental Reserves

Not applicable.

Note 33 - Subscriber Savings Accounts

Not applicable.

Note 34 - Multiple Peril Crop Insurance

Not applicable.

Note 35 - Financial Guaranty Insurance

Not applicable.

Statement for June 30, 2010 of the **AAA Southern New England Insurance Company**
GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []

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. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [X] No []
 If yes, complete the Schedule Y-Part 1 - Organizational chart.

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]

4.2 If yes, provide name of 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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] N/A []
 If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2009.....

6.2 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. 10/25/2005.....

6.3 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). N/A.....

6.4 By what department or departments?

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]

7.1 Has this 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 [] No [X]

7.2 If yes, give full information:

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 [X] No []

8.4 If the response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal 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
N/A						

9.1 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.

9.11 If the response to 9.1 is No, please explain:

9.2 Has the code of ethics for senior managers been amended? Yes [] No [X]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

Statement for June 30, 2010 of the **AAA Southern New England Insurance Company**
GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
GENERAL

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]

11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$.....0

13. Amount of real estate and mortgages held in short-term investments: \$.....0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] No [X]

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds.....	\$0	\$0
14.22 Preferred Stock.....	\$0	\$0
14.23 Common Stock.....	\$0	\$0
14.24 Short-Term Investments.....	\$0	\$0
14.25 Mortgage Loans on Real Estate.....	\$0	\$0
14.26 All Other.....	\$0	\$0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$0	\$0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above.....	\$0	\$0

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No []
 If no, attach a description with this statement.

16. 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 [X] No []

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

1 Name of Custodian(s)	2 Custodian Address
State Street Bank and Trust Company	801 Pennsylvania Avenue, 5th Floor, Kansas City, MO 64105

16.2 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)

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes [] No [X]

16.4 If yes, give full and complete information relating thereto:

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

16.5 Identify all investment advisors, broker/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	2 Name(s)	3 Address
104863	Income Research & Management	100 Federal Street, 31st Floor, Boston, MA 02110
3524	Stralem & Company, Inc.	645 Madison Avenue, New York, NY 10022

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

17.2 If no, list exceptions:

Statement for June 30, 2010 of the **AAA Southern New England Insurance Company**
GENERAL INTERROGATORIES (continued)

PART 2
PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [X] N/A []
 If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting 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 [] No [X]
 If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]
 3.2 If yes, give full and complete information thereto:

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation liabilities tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? Yes [] No [X]
 4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Disc. Rate	Total Discount				Discount Taken During Period			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 Total	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 Total
						0				0
Total.....	XXX..	XXX.....	0	0	0	0	0	0	0	0

5. Operating Percentages:
 5.1 A&H loss percent _____ 0.0 %
 5.2 A&H cost containment percent _____ 0.0 %
 5.3 A&H expense percent excluding cost containment expenses _____ 0.0 %
 6.1 Do you act as a custodian for health savings accounts? Yes [] No [X]
 6.2 If yes, please provide the amount of custodial funds held as of the reporting date. _____ 0
 6.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
 6.4 If yes, please provide the amount of funds administered as of the reporting date. _____ 0

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Name of Reinsurer	4 Location	5 Is Insurer Authorized? (YES or NO)
------------------------------	------------------------------	------------------------	---------------	---

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama.....AL	N						
2. Alaska.....AK	N						
3. Arizona.....AZ	N						
4. Arkansas.....AR	N						
5. California.....CA	N						
6. Colorado.....CO	N						
7. Connecticut.....CT	N						
8. Delaware.....DE	N						
9. District of Columbia.....DC	N						
10. Florida.....FL	N						
11. Georgia.....GA	N						
12. Hawaii.....HI	N						
13. Idaho.....ID	N						
14. Illinois.....IL	N						
15. Indiana.....IN	N						
16. Iowa.....IA	N						
17. Kansas.....KS	N						
18. Kentucky.....KY	N						
19. Louisiana.....LA	N						
20. Maine.....ME	N						
21. Maryland.....MD	N						
22. Massachusetts.....MA	N						
23. Michigan.....MI	N						
24. Minnesota.....MN	N						
25. Mississippi.....MS	N						
26. Missouri.....MO	N						
27. Montana.....MT	N						
28. Nebraska.....NE	N						
29. Nevada.....NV	N						
30. New Hampshire.....NH	N						
31. New Jersey.....NJ	N						
32. New Mexico.....NM	N						
33. New York.....NY	N						
34. North Carolina.....NC	N						
35. North Dakota.....ND	N						
36. Ohio.....OH	N						
37. Oklahoma.....OK	N						
38. Oregon.....OR	N						
39. Pennsylvania.....PA	N						
40. Rhode Island.....RI	L						
41. South Carolina.....SC	N						
42. South Dakota.....SD	N						
43. Tennessee.....TN	N						
44. Texas.....TX	N						
45. Utah.....UT	N						
46. Vermont.....VT	N						
47. Virginia.....VA	N						
48. Washington.....WA	N						
49. West Virginia.....WV	N						
50. Wisconsin.....WI	N						
51. Wyoming.....WY	N						
52. American Samoa.....AS	N						
53. Guam.....GU	N						
54. Puerto Rico.....PR	N						
55. US Virgin Islands.....VI	N						
56. Northern Mariana Islands.....MP	N						
57. Canada.....CN	N						
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
59. Totals.....	(a).....1	0	0	0	0	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
5899. Totals (Lines 5801 thru 5803 + Line 5898) (Line 58 above).....	XXX	0	0	0	0	0	0

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

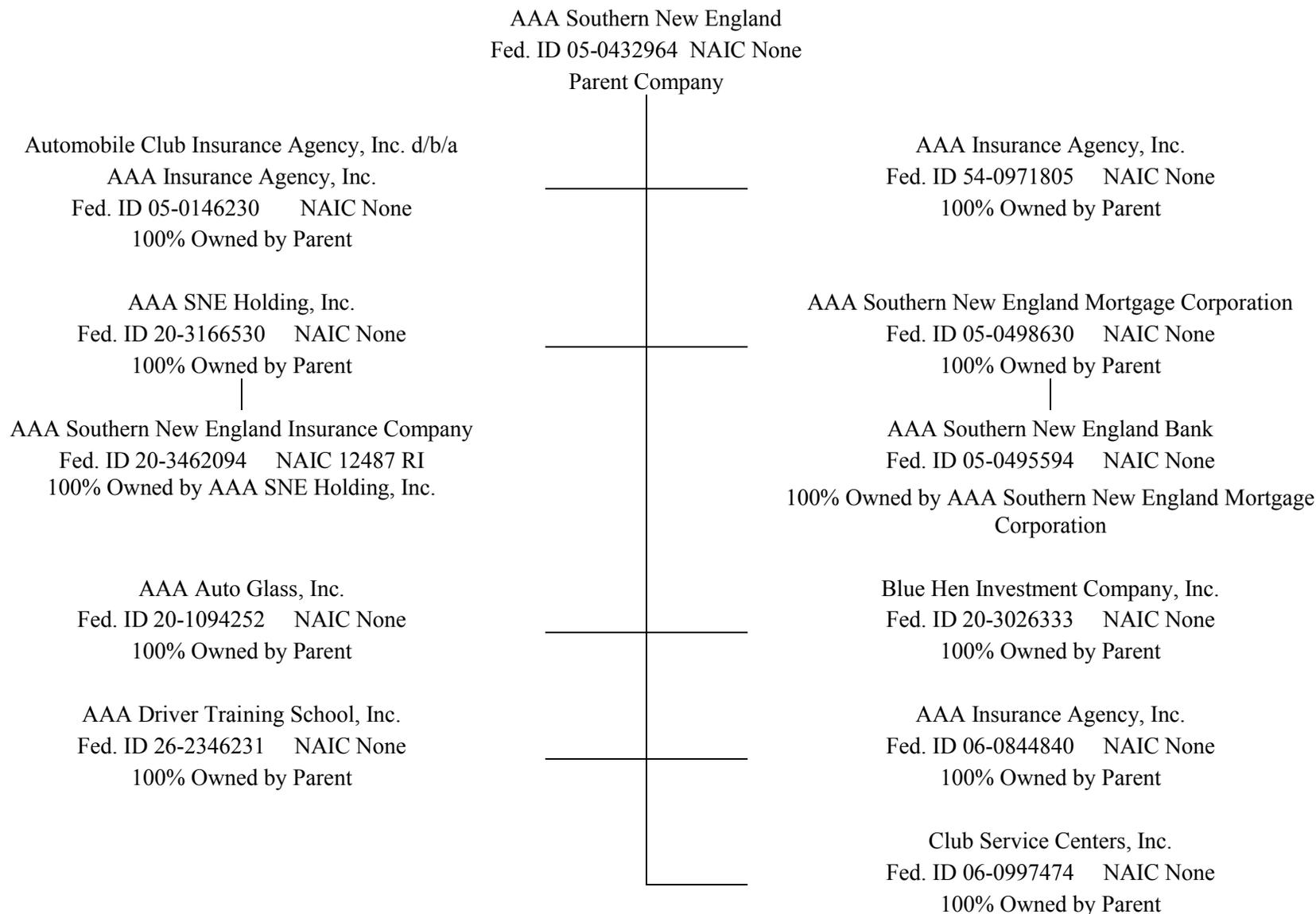
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

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

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Q11



Statement for June 30, 2010 of the **AAA Southern New England Insurance Company**
PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
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.....			0.0	
14. Credit accident and health.....			0.0	
15. Other accident and health.....			0.0	
16. Workers' compensation.....			0.0	
17.1. Other liability-occurrence.....			0.0	
17.2. Other liability-claims made.....			0.0	
17.3. Excess workers' compensation.....			0.0	
18.1. Products liability-occurrence.....			0.0	
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.....			0.0	
30. Warranty.....			0.0	
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0.0	
35. Totals.....	0	0	0.0	

NONE

DETAILS OF WRITE-INS				
3401.....			0.0	
3402.....			0.0	
3403.....			0.0	
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0.0	

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1. Medical professional liability - occurrence.....			
11.2. Medical professional liability - claims made.....			
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....			
17.1. Other liability-occurrence.....			
17.2. Other liability-claims made.....			
17.3. Excess workers' compensation.....			
18.1. Products liability-occurrence.....			
18.2. Products liability-claims made.....			
19.1 19.2. Private passenger auto liability.....			
19.3 19.4. Commercial auto liability.....			
21. Auto physical damage.....			
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....			
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....			
29. International.....			
30. Warranty.....			
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0
35. Totals.....	0	0	0

NONE

DETAILS OF WRITE-INS			
3401.....			
3402.....			
3403.....			
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2010 Loss and LAE Payments on Claims Reported as of Prior Year-End	2010 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2010 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2007 + Prior.....	1,279	(210)	1,069	311	4	315	1,418	67	(339)	1,146	450	(58)	392
2. 2008.....	3,293	(203)	3,090	658	37	695	3,470	194	(597)	3,067	835	(163)	672
3. Subtotals 2008 + Prior.....	4,572	(413)	4,159	969	41	1,010	4,888	261	(936)	4,213	1,285	(221)	1,064
4. 2009.....	2,446	2,411	4,857	640	165	805	2,053	262	188	2,503	247	(1,796)	(1,549)
5. Subtotals 2009 + Prior.....	7,018	1,998	9,016	1,609	206	1,815	6,941	523	(748)	6,716	1,532	(2,017)	(485)
6. 2010.....	XXX	XXX	XXX	XXX		0	XXX			0	XXX	XXX	XXX
7. Totals.....	7,018	1,998	9,016	1,609	206	1,815	6,941	523	(748)	6,716	1,532	(2,017)	(485)
8. Prior Year-End's Surplus As Regards Policyholders	35,477												
											Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. ....21.8 %	2. ....(101.0)%	3. ....(5.4)%
													Col. 13, Line 7 Line 8
													4. ....(1.4)%

Q13

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO

Explanation:

- 1.
- 2.
- 3.

Bar Code:



NONE

Statement for June 30, 2010 of the **AAA Southern New England Insurance Company**
SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Current year change in encumbrances.....		
4. Total gain (loss) on disposals.....		
5. Deduct amounts received on disposals.....		
6. Total foreign exchange change in book/adjusted carrying value.....		
7. Deduct current year's other than temporary impairment recognized.....		
8. Deduct current year's depreciation.....		
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and mortgage interest points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....		
10. Deduct current year's other than temporary impairment recognized.....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and depreciation.....		
9. Total foreign exchange change in book/adjusted carrying value.....		
10. Deduct current year's other than temporary impairment recognized.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	0	0

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	44,437,685	55,517,478
2. Cost of bonds and stocks acquired.....	3,230,425	15,292,984
3. Accrual of discount.....	54	15,881
4. Unrealized valuation increase (decrease).....	(702,480)	1,936,342
5. Total gain (loss) on disposals.....	119,777	380,147
6. Deduct consideration for bonds and stocks disposed of.....	4,789,534	28,293,616
7. Deduct amortization of premium.....	197,151	411,531
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	42,098,776	44,437,685
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	42,098,776	44,437,685

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	36,256,480	3,794,037	4,648,821	(337,242)	36,256,480	35,064,454		36,912,127
2. Class 2 (a).....	677,769			224,809	677,769	902,578		677,958
3. Class 3 (a).....								
4. Class 4 (a).....								
5. Class 5 (a).....								
6. Class 6 (a).....								
7. Total Bonds.....	36,934,249	3,794,037	4,648,821	(112,433)	36,934,249	35,967,032	0	37,590,085
PREFERRED STOCK								
8. Class 1.....								
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	36,934,249	3,794,037	4,648,821	(112,433)	36,934,249	35,967,032	0	37,590,085

QS102

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:
NAIC 1 \$.....1,645,991; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals.....	1,645,991	XXX	1,654,134	6,987	

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	2,155,083	2,030,010
2. Cost of short-term investments acquired.....	6,893,113	42,251,253
3. Accrual of discount.....	536	
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....	(258)	4
6. Deduct consideration received on disposals.....	7,395,918	42,118,837
7. Deduct amortization of premium.....	6,565	7,347
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	1,645,991	2,155,083
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	1,645,991	2,155,083

**Sch. DB-Pt A-Verification
NONE**

**Sch. DB-Pt B-Verification
NONE**

**Sch. DB-Pt C-Sn 1
NONE**

**Sch. DB-Pt C-Sn 2
NONE**

**Sch. DB-Verification
NONE**

SCHEDULE E- VERIFICATION

Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	338,436
2. Cost of cash equivalents acquired.....		35,593,513
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....		35,931,949
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/ adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	0	0
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	0	0

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

Sch. BA-Pt 2
NONE

Sch. BA-Pt 3
NONE

SCHEDULE D - PART 3

Show all Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Special Revenue and Special Assessment									
13033W 3S 0	CALIFORNIA INFRASTRUCTURE & EC VAR.....		...04/30/2010	MORGAN STANLEY.....		.....200,000	.....200,000		1FE.....
64605L YK 8	NEW JERSEY ST EDL FACS AUTH RE REV.....		...06/18/2010	PIPER JAFFRAY.....		.....57,895	.....50,000	.....1,194	1FE.....
3199999.	Total - Bonds - U.S. Special Revenue & Special Assessments.....					.....257,895	.....250,000	.....1,194	XXX.....
8399997.	Total - Bonds - Part 3.....					.....257,895	.....250,000	.....1,194	XXX.....
8399999.	Total - Bonds.....					.....257,895	.....250,000	.....1,194	XXX.....
Common Stocks - Industrial and Miscellaneous									
88579Y 10 1	3M CO.....		...04/14/2010	PERSHING ADVISOR SOLUTION.....	.....1,000.000	.....84,192	.....XXX		L.....
30231G 10 2	EXXON MOBIL CORP.....		...06/28/2010	MERGER.....	.....3,690.960	.....255,118	.....XXX		L.....
487836 10 8	KELLOGG CO.....		...04/16/2010	COWEN AND COMPANY, LLC.....	.....800.000	.....43,036	.....XXX		L.....
742718 10 9	PROCTER & GAMBLE CO.....		...04/15/2010	SANFORD C BERNSTEIN CO LL.....	.....1,400.000	.....88,100	.....XXX		L.....
931142 10 3	WAL MART STORES INC.....		...04/14/2010	SANFORD C BERNSTEIN CO LL.....	.....800.000	.....43,834	.....XXX		L.....
9099999.	Total - Common Stocks - Industrial & Miscellaneous.....					.....514,280	.....XXX	.....0	XXX.....
Common Stocks - Mutual Funds									
922908 48 8	VANGUARD INDEX FDS TOTAL STK MKT.....		...06/24/2010	VANGUARD INDEX FDS.....	.....509.543	.....13,330	.....XXX		L.....
9299999.	Total - Common Stocks - Mutual Funds.....					.....13,330	.....XXX	.....0	XXX.....
9799997.	Total - Common Stocks - Part 3.....					.....527,610	.....XXX	.....0	XXX.....
9799999.	Total - Common Stocks.....					.....527,610	.....XXX	.....0	XXX.....
9899999.	Total - Preferred and Common Stocks.....					.....527,610	.....XXX	.....0	XXX.....
9999999.	Total - Bonds, Preferred and Common Stocks.....					.....785,505	.....XXX	.....1,194	XXX.....

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

QE04

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Design- ation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							

Bonds - U.S. Political Subdivisions of States, Territories and Possessions

341535	RU	8	FLORIDA ST BRD ED PUB ED CAP.....	06/01/2010	Sink PMT @ 100.0000000.....	165,000	165,000	171,822	165,921		(921)		(921)		165,000			0	4,125	06/01/2010	1FE.....
2499999.	Total - Bonds - U.S. Political Subdivisions of States, Territories & Possessions.....					165,000	165,000	171,822	165,921	0	(921)	0	(921)	0	165,000	0	0	0	4,125	XXX..	XXX..

Bonds - U.S. Special Revenue and Special Assessment

13033W	3S	0	CALIFORNIA INFRASTRUCTURE & EC VAR	05/05/2010	MORGAN STANLEY.....	200,000	200,000	200,000					0	200,000			0	2	10/01/2047	1FE.....
40222P	BA	9	GULF COAST WASTE DISP AUTH TEX REV	06/10/2010	MORGAN STANLEY.....	616,400	670,000	670,000	670,000				0	670,000	(53,600)	(53,600)	12,157	01/01/2036	1FE.....	
64983W	8N	9	NEW YORK ST DORM AUTH REVS REV	05/06/2010	NATIONAL FINANCIAL SERVICES CORP	32,320	30,000	30,784	30,748		(13)		(13)	30,735	1,585	1,585	1,521	11/15/2023	1FE.....	
3199999.	Total - Bonds - U.S. Special Revenue & Assessment.....					848,720	900,000	900,784	700,748	0	(13)	0	(13)	900,735	0	(52,015)	(52,015)	13,680	XXX..	XXX..
8399997.	Total - Bonds - Part 4.....					1,013,720	1,065,000	1,072,606	866,669	0	(934)	0	(934)	1,065,735	0	(52,015)	(52,015)	17,805	XXX..	XXX..
8399999.	Total - Bonds.....					1,013,720	1,065,000	1,072,606	866,669	0	(934)	0	(934)	1,065,735	0	(52,015)	(52,015)	17,805	XXX..	XXX..

Common Stocks - Industrial and Miscellaneous

QE05	88579Y	10	1	3M CO.....	05/06/2010	INVESTMENT TECHNOLOGY GROUP	300,000	25,841	XXX	21,168	7,808	(3,835)		(3,835)	21,168	4,673	4,673	99	XXX..	L.....
	149123	10	1	CATERPILLAR INC DEL.....	05/06/2010	INVESTMENT TECHNOLOGY GROUP	700,000	46,280	XXX	33,273	39,893	(6,620)		(6,620)	33,273	13,007	13,007	588	XXX..	L.....
	166764	10	0	CHEVRON CORP NEW.....	05/06/2010	INVESTMENT TECHNOLOGY GROUP	300,000	23,956	XXX	25,763	23,097	2,666		2,666	25,763	(1,807)	(1,807)	204	XXX..	L.....
	17275R	10	2	CISCO SYS INC.....	05/06/2010	INVESTMENT TECHNOLOGY GROUP	900,000	23,837	XXX	20,664	21,546	(882)		(882)	20,664	3,173	3,173		XXX..	L.....
	209115	10	4	CONSOLIDATED EDISON INC.....	05/06/2010	INVESTMENT TECHNOLOGY GROUP	400,000	17,896	XXX	15,378	18,172	(2,794)		(2,794)	15,378	2,518	2,518	238	XXX..	L.....
	235851	10	2	DANAHER CORP DEL.....	05/06/2010	INVESTMENT TECHNOLOGY GROUP	500,000	41,142	XXX	36,862	37,600	(738)		(738)	36,862	4,280	4,280	40	XXX..	L.....
	25179M	10	3	DEVON ENERGY CORP NEW.....	05/06/2010	INVESTMENT TECHNOLOGY GROUP	200,000	13,625	XXX	16,263	14,700	1,563		1,563	16,263	(2,638)	(2,638)	32	XXX..	L.....
	26441C	10	5	DUKE ENERGY CORP NEW.....	05/06/2010	INVESTMENT TECHNOLOGY GROUP	1,300,000	21,794	XXX	19,671	22,373	(2,702)		(2,702)	19,671	2,123	2,123	312	XXX..	L.....
	291011	10	4	EMERSON ELEC CO.....	05/06/2010	INVESTMENT TECHNOLOGY GROUP	400,000	19,807	XXX	14,229	17,040	(2,811)		(2,811)	14,229	5,578	5,578	134	XXX..	L.....
	30231G	10	2	EXXON MOBIL CORP.....	06/30/2010	SALE OF FRACTIONAL SHARES	0.960	55	XXX	66				0	66	(12)	(12)		XXX..	L.....
	369604	10	3	GENERAL ELECTRIC CO.....	05/06/2010	INVESTMENT TECHNOLOGY GROUP	2,000,000	35,829	XXX	32,866	30,260	2,606		2,606	32,866	2,964	2,964	400	XXX..	L.....
	428236	10	3	HEWLETT PACKARD CO.....	05/06/2010	INVESTMENT TECHNOLOGY GROUP	400,000	20,154	XXX	17,609	20,604	(2,995)		(2,995)	17,609	2,544	2,544	64	XXX..	L.....
	458140	10	0	INTEL CORP.....	05/06/2010	INVESTMENT TECHNOLOGY GROUP	1,100,000	24,356	XXX	19,437	22,440	(3,003)		(3,003)	19,437	4,919	4,919	186	XXX..	L.....
	459200	10	1	INTERNATIONAL BUSINESS MACHS.....	05/06/2010	INVESTMENT TECHNOLOGY GROUP	100,000	12,666	XXX	10,428	13,090	(2,662)		(2,662)	10,428	2,238	2,238	58	XXX..	L.....

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
478160 10 4	JOHNSON & JOHNSON.....		05/06/2010	INVESTMENT TECHNOLOGY GROUP	200,000	13,017	XXX	11,777	12,882	(1,105)			(1,105)		11,777		1,240	1,240	.98	XXX	L
487836 10 8	KELLOGG CO.....		05/06/2010	INVESTMENT TECHNOLOGY GROUP	200,000	10,867	XXX	10,910					.0		10,910		(43)	(43)	.46	XXX	L
501044 10 1	KROGER CO.....		05/06/2010	INVESTMENT TECHNOLOGY GROUP	400,000	8,958	XXX	8,292	8,212	80			80		8,292		666	666	.38	XXX	L
502424 10 4	L-3 COMMUNICATIONS HLDGS INC.....		05/06/2010	INVESTMENT TECHNOLOGY GROUP	400,000	36,813	XXX	37,848	34,780	3,068			3,068		37,848		(1,035)	(1,035)	.160	XXX	L
532457 10 8	LILLY ELI & CO.....		05/06/2010	INVESTMENT TECHNOLOGY GROUP	400,000	14,002	XXX	19,094	14,284	4,810			4,810		19,094		(5,092)	(5,092)	.196	XXX	L
540424 10 8	LOEWS CORP.....		05/06/2010	INVESTMENT TECHNOLOGY GROUP	200,000	7,127	XXX	8,000	7,270	730			730		8,000		(873)	(873)	.13	XXX	L
580135 10 1	MCDONALDS CORP.....		05/06/2010	INVESTMENT TECHNOLOGY GROUP	400,000	28,194	XXX	22,770	24,976	(2,206)			(2,206)		22,770		5,424	5,424	.220	XXX	L
651639 10 6	NEWMONT MINING CORP.....		05/06/2010	INVESTMENT TECHNOLOGY GROUP	400,000	21,822	XXX	17,548					.0		17,548		4,274	4,274	.40	XXX	L
742718 10 9	PROCTER & GAMBLE CO.....		05/06/2010	INVESTMENT TECHNOLOGY GROUP	300,000	18,633	XXX	17,418	11,116	(1,039)			(1,039)		17,418		1,215	1,215	.229	XXX	L
842587 10 7	SOUTHERN CO.....		05/06/2010	INVESTMENT TECHNOLOGY GROUP	800,000	27,164	XXX	28,507	26,656	1,851			1,851		28,507		(1,343)	(1,343)	.399	XXX	L
913017 10 9	UNITED TECHNOLOGIES CORP.....		05/06/2010	INVESTMENT TECHNOLOGY GROUP	400,000	29,436	XXX	20,968	16,827	(6,876)			(6,876)		20,968		8,467	8,467	.170	XXX	L
931142 10 3	WAL MART STORES INC.....		05/06/2010	INVESTMENT TECHNOLOGY GROUP	200,000	10,855	XXX	10,780					.0		10,780		.75	.75	.37	XXX	L
98385X 10 6	XTO ENERGY INC.....		06/28/2010	VARIOUS.....	5,900,000	287,457	XXX	289,461	274,527	14,934			14,934		289,461		(2,004)	(2,004)	.2,125	XXX	L
9099999.	Total - Common Stocks - Industrial & Miscellaneous.....					841,583	XXX	787,050	720,153	(7,960)			(7,960)		787,050		54,531	54,531	.6,126	XXX	XXX
Common Stocks - Mutual Funds																					
922908 48 8	VANGUARD INDEX FDS TOTAL STK MKT.....		05/12/2010	STATE STREET.....	6,723,280	190,000	XXX	140,458	177,456	(37,748)			(37,748)		140,458		49,542	49,542	.750	XXX	L
9299999.	Total - Common Stocks - Mutual Funds.....					190,000	XXX	140,458	177,456	(37,748)			(37,748)		140,458		49,542	49,542	.750	XXX	XXX
9799997	Total - Common Stocks - Part 4.....					1,031,583	XXX	927,508	897,609	(45,708)			(45,708)		927,508		104,073	104,073	.6,876	XXX	XXX
9799999.	Total - Common Stocks.....					1,031,583	XXX	927,508	897,609	(45,708)			(45,708)		927,508		104,073	104,073	.6,876	XXX	XXX
9899999.	Total - Preferred and Common Stocks.....					1,031,583	XXX	927,508	897,609	(45,708)			(45,708)		927,508		104,073	104,073	.6,876	XXX	XXX
9999999.	Total - Bonds, Preferred and Common Stocks.....					2,045,303	XXX	2,000,114	1,764,278	(45,708)			(46,642)		1,993,243		52,058	52,058	.24,681	XXX	XXX

QE05.1

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

**Sch. DB-Pt A-Sn 1
NONE**

**Sch. DB-Pt A-Sn 1
NONE**

**Sch. DB-Pt B-Sn 1
NONE**

**Sch. DB-Pt B-Sn 1
NONE**

**Sch. DB-Pt B-Sn 1B
NONE**

**Sch. DB-Pt D
NONE**

Statement for June 30, 2010 of the **AAA Southern New England Insurance Company**
SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	

Open Depositories

Sovereign Bank..... Providence, RI.....					.....8,294	.....41,126	.....26,206	XXX..
0199999. Total Open Depositories.....	...XXX.....	...XXX.....	.....0	.....0	.....8,294	.....41,126	.....26,206	XXX..
0399999. Total Cash on Deposit.....	...XXX.....	...XXX.....	.....0	.....0	.....8,294	.....41,126	.....26,206	XXX..
0599999. Total Cash.....	...XXX.....	...XXX.....	.....0	.....0	.....8,294	.....41,126	.....26,206	XXX..

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
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NONE

QE10