

STATEMENT AS OF MARCH 31, 2010 OF THE NARRAGANSETT BAY INSURANCE COMPANY

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	35,460,827		35,460,827	36,824,332
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
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 (\$2,790,158), cash equivalents (\$1,799,960) and short-term investments (\$441,589)	5,031,707		5,031,707	4,005,715
6. Contract loans (including \$premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	0		0	0
9. Receivables for securities			0	0
10. Aggregate write-ins for invested assets	0	0	0	0
11. Subtotals, cash and invested assets (Lines 1 to 10)	40,492,534	0	40,492,534	40,830,047
12. Title plants less \$charged off (for Title insurers only)			0	0
13. Investment income due and accrued	290,121		290,121	288,532
14. Premiums and considerations:				
14.1 Uncollected premiums and agents' balances in the course of collection	854,219	15,340	838,879	798,757
14.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums)	2,867,747		2,867,747	2,472,576
14.3 Accrued retrospective premiums			0	0
15. Reinsurance:				
15.1 Amounts recoverable from reinsurers	9,676		9,676	39,987
15.2 Funds held by or deposited with reinsured companies			0	0
15.3 Other amounts receivable under reinsurance contracts			0	0
16. Amounts receivable relating to uninsured plans			0	0
17.1 Current federal and foreign income tax recoverable and interest thereon			0	0
17.2 Net deferred tax asset	6,217,955	5,010,623	1,207,332	1,045,014
18. Guaranty funds receivable or on deposit			0	0
19. Electronic data processing equipment and software	114,117	86,789	27,328	32,795
20. Furniture and equipment, including health care delivery assets (\$)			0	0
21. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
22. Receivables from parent, subsidiaries and affiliates	1,449,590	0	1,449,590	937,665
23. Health care (\$) and other amounts receivable			0	0
24. Aggregate write-ins for other than invested assets	93,412	93,412	0	18,803
25. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 to 24)	52,389,371	5,206,164	47,183,207	46,464,176
26. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
27. Total (Lines 25 and 26)	52,389,371	5,206,164	47,183,207	46,464,176
DETAILS OF WRITE-INS				
1001.			0	0
1002.			0	0
1003.			0	0
1098. Summary of remaining write-ins for Line 10 from overflow page	0	0	0	0
1099. Totals (Lines 1001 through 1003 plus 1098) (Line 10 above)	0	0	0	0
2401. PREPAID OUTSIDE SERVICE COSTS	93,412	93,412	0	0
2402. OTHER RECEIVABLES			0	18,803
2403.			0	0
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)	93,412	93,412	0	18,803

STATEMENT AS OF MARCH 31, 2010 OF THE NARRAGANSETT BAY INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$1,972,137)	3,295,550	1,907,590
2. Reinsurance payable on paid losses and loss adjustment expenses	90,785	1,802
3. Loss adjustment expenses	406,094	289,899
4. Commissions payable, contingent commissions and other similar charges	1,000,995	1,684,483
5. Other expenses (excluding taxes, licenses and fees)	176,139	268,654
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	(124,751)	168,333
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		0
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$1,854,231 and including warranty reserves of \$)	17,247,596	14,837,952
10. Advance premium	1,092,650	539,922
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	1,297,359	1,145,213
13. Funds held by company under reinsurance treaties		0
14. Amounts withheld or retained by company for account of others		0
15. Remittances and items not allocated	809	2,332
16. Provision for reinsurance		99,200
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		0
20. Derivatives		0
21. Payable for securities		0
22. Liability for amounts held under uninsured plans		0
23. Capital notes \$ and interest thereon \$		0
24. Aggregate write-ins for liabilities	0	0
25. Total liabilities excluding protected cell liabilities (Lines 1 through 24)	24,483,226	20,945,380
26. Protected cell liabilities		0
27. Total liabilities (Lines 25 and 26)	24,483,226	20,945,380
28. Aggregate write-ins for special surplus funds	0	0
29. Common capital stock	4,000,000	4,000,000
30. Preferred capital stock		0
31. Aggregate write-ins for other than special surplus funds	0	0
32. Surplus notes		0
33. Gross paid in and contributed surplus	38,507,995	38,507,995
34. Unassigned funds (surplus)	(19,808,013)	(16,989,199)
35. Less treasury stock, at cost:		
35.1 shares common (value included in Line 29 \$)		0
35.2 shares preferred (value included in Line 30 \$)		0
36. Surplus as regards policyholders (Lines 28 to 34, less 35)	22,699,982	25,518,796
37. Totals	47,183,208	46,464,176
DETAILS OF WRITE-INS		
2401.		0
2402.		0
2403.		0
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	0	0
2801.		0
2802.		0
2803.		0
2898. Summary of remaining write-ins for Line 28 from overflow page	0	0
2899. Totals (Lines 2801 through 2803 plus 2898) (Line 28 above)	0	0
3101.		0
3102.		0
3103.		0
3198. Summary of remaining write-ins for Line 31 from overflow page	0	0
3199. Totals (Lines 3101 through 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 \$ 10,034,154)	7,938,524	3,419,363	19,738,180
1.2 Assumed (written \$ 0)	621	4,214	9,062
1.3 Ceded (written \$ 3,013,084)	3,327,719	1,403,615	9,233,784
1.4 Net (written \$ 7,021,070)	4,611,426	2,019,962	10,513,458
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 3,085,100):			
2.1 Direct	3,521,483	911,686	3,202,058
2.2 Assumed	415	44,690	131,689
2.3 Ceded	356,900	7,984	301,595
2.4 Net	3,164,998	948,392	3,032,152
3. Loss adjustment expenses incurred	307,247	83,569	800,471
4. Other underwriting expenses incurred	4,883,546	3,521,142	16,066,161
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	8,355,791	4,553,103	19,898,784
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(3,744,365)	(2,533,141)	(9,385,326)
INVESTMENT INCOME			
9. Net investment income earned	324,954	302,772	1,022,444
10. Net realized capital gains (losses) less capital gains tax of \$	145,432	214,608	678,170
11. Net investment gain (loss) (Lines 9 + 10)	470,386	517,380	1,700,614
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)	(25,693)	(12,092)	(80,652)
13. Finance and service charges not included in premiums	65,813	28,790	186,976
14. Aggregate write-ins for miscellaneous income	0	0	0
15. Total other income (Lines 12 through 14)	40,120	16,698	106,324
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(3,233,859)	(1,999,063)	(7,578,388)
17. Dividends to policyholders		0	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)	(3,233,859)	(1,999,063)	(7,578,388)
19. Federal and foreign income taxes incurred		0	0
20. Net income (Line 18 minus Line 19)(to Line 22)	(3,233,859)	(1,999,063)	(7,578,388)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	25,518,796	23,942,725	23,942,725
22. Net income (from Line 20)	(3,233,859)	(1,999,063)	(7,578,388)
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	0	(62,469)	(442,288)
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	1,132,651	0	2,282,882
27. Change in nonadmitted assets	(816,807)	0	(1,586,935)
28. Change in provision for reinsurance	99,200	0	(99,200)
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in		0	9,000,000
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders		0	0
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	(2,818,815)	(2,061,532)	1,576,071
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	22,699,981	21,881,193	25,518,796
DETAILS OF WRITE-INS			
0501.		0	0
0502.		0	0
0503.		0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401.		0	0
1402.		0	0
1403.		0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
3701.		0	0
3702.		0	0
3703.		0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 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	7,288,319	2,408,705	18,242,326
2. Net investment income	388,465	324,838	1,057,452
3. Miscellaneous income	40,120	16,698	106,324
4. Total (Lines 1 to 3)	7,716,904	2,750,241	19,406,102
5. Benefit and loss related payments	1,657,744	491,582	2,005,374
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	6,655,610	4,314,594	19,163,632
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	0	0	0
10. Total (Lines 5 through 9)	8,313,354	4,806,176	21,169,006
11. Net cash from operations (Line 4 minus Line 10)	(596,450)	(2,055,935)	(1,762,904)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	3,315,643	9,306,058	24,346,200
12.2 Stocks	0	0	91,162
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	18
12.7 Miscellaneous proceeds	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	3,315,643	9,306,058	24,437,380
13. Cost of investments acquired (long-term only):			
13.1 Bonds	1,871,807	7,937,288	29,869,865
13.2 Stocks	0	0	0
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	0	1	1
13.7 Total investments acquired (Lines 13.1 to 13.6)	1,871,807	7,937,289	29,869,866
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	1,443,836	1,368,769	(5,432,486)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0	9,000,000
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied)	178,605	5,466	(328,808)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	178,605	5,466	8,671,192
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)	1,025,991	(681,700)	1,475,802
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	4,005,729	2,529,927	2,529,927
19.2 End of period (Line 18 plus Line 19.1)	5,031,720	1,848,227	4,005,729

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Practices

A. Accounting Practices

The financial statements of Narragansett Bay Insurance Company are presented on the basis of accounting practices prescribed or permitted by the Rhode Island Insurance Department.

The Rhode Island Insurance Department recognizes only statutory accounting practices prescribed or permitted by the State of Rhode Island for determining and reporting financial condition and results of operations on an insurance company, and for determining its solvency under the Rhode Island Insurance Law. The National Association of Insurance Commissioners' ("NAIC") Accounting Practices and Procedures manual, ("NAIC SAP"), has been adopted as a component of prescribed or permitted practices by the State of Rhode Island.

2. - 4. No significant changes.

5. Investments

A. - C. No significant changes.

D. Loan-Backed Securities

(1) The fair values of all securities were determined in accordance with SSAP No. 27. Fair values were obtained from pricing services such as Bank of America, Merrill Lynch Index, Interactive Data Corporation, Reuters, Standard and Poor's, Pricing Direct, Bloomberg, or if not available from pricing service, provided by brokers.

(2) Prepayments assumptions for Mortgage-Backed Securities, Collateralized Mortgage Obligations and Other Structured Securities were generated using a purchased prepayment model. The prepayment model uses a number of factors to estimate prepayment activity including the time of year (seasonality), current levels or interest rates (refinancing incentive), economic activity (including housing turnover) and term and age of the underlying collateral (burnout, seasoning).

(3) N/A

(4) N/A

(5) N/A

(6)

	Unrealized Losses Less Than 12 Months		Unrealized Losses Greater Than 12 Months		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Mortgage-backed securities	5,045,431	(19,488)	-	-	5,045,431	(19,488)
Collateralized mortgage-backed obligations	-	-	-	-	-	-
Other structured securities	-	-	-	-	-	-
Total	5,045,431	(19,488)	-	-	5,045,431	(19,488)

(7) All impaired securities (fair value is less than cost or amortized cost) have been evaluated by management, based on specific criteria to determine if the impairments should be considered other than temporary. Factors considered in determining that other than temporary impairment charges are warranted include: management's consideration of current and near term liquidity needs and retrospective review of length of loss over credit quality of investment and general market conditions. Management has concluded that the value of the investments for which it reports unrealized losses at March 31, 2010 are not other than temporarily impaired, as management has the intent and ability to hold these securities for a period of time sufficient to allow for any anticipated recovery in market value.

(8) All Loan-Backed securities were valued in accordance with SSAP No.27.

E. - G. No significant changes.

6. - 16. No significant changes.

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

A. - B. N/A

C. Wash Sales

In the course of the reporting entity's asset management, securities are sold and reacquired within 30 days of the sale date. The details, of NAIC designation 3 or below, securities sold during the quarter ended March 31, 2010 and reacquired within 30 days of the sale date are:

None. The Company did not have any Wash Sales during the quarter ended March 31, 2010.

18. - 23. No significant changes.

NOTES TO FINANCIAL STATEMENTS

24. Changes in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2009 were \$2.2 million. As of March 31, 2010, \$0.7 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior policy years are now \$1.6 million as a result of re-estimation of unpaid claims and claim adjustment expenses principally on the homeowners line of insurance. Therefore, there has been a \$0.1 million unfavorable prior-year development since December 31, 2009 to March 31, 2010. The increase is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes available. The Company does not issue retrospectively rated policies.

25. - 34. No significant changes.

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 [] No [X]
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 the 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] NA []
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. 12/31/2008
- 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. 12/31/2008
- 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). 12/01/2009
- 6.4 By what department or departments?
RHODE ISLAND INSURANCE DEPARTMENT.....
- 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 [] NA [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [X] NA []
- 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 [] No [X]
- 8.4 If 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
.....
.....
.....

GENERAL INTERROGATORIES

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 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

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

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$0

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

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

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	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$0	\$0
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
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	\$	\$

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

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.

GENERAL INTERROGATORIES

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 [] No [X]

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

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)
BANK OF AMERICA.....	111 WESTMINSTER STREET, PROVIDENCE, RI 02903	NAIC PROVISIONS NOT ADDRESSED IN THE CUSTODIAL AGREEMENT ARE 2F, 2G, 2H, 2J AND 2K. THE COMPANY WILL BE AMENDING ITS CUSTODIAL AGREEMENT TO INCLUDE ALL CONTROLS AND SAFEGUARDS SET FORTH IN SECTION 3, PART III (H) OF THE NAIC FINANCIAL CONDITION EXAMINERS HANDBOOK.....

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, 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	2 Name(s)	3 Address
	NEW ENGLAND ASSET MANAGEMENT	STAMFORD, CT

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:

.....

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

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 [] NA [X]
 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 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:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
.....										
.....										
.....										
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent _____

5.2 A&H cost containment percent _____

5.3 A&H expense percent excluding cost containment expenses _____

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 \$ _____

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

6.4 If yes, please provide the balance of the funds administered as of the reporting date \$ _____

STATEMENT AS OF MARCH 31, 2010 OF THE NARRAGANSETT BAY INSURANCE COMPANY

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	0	0	0	0	0	
2. Alaska	AK	N	0	0	0	0	0	
3. Arizona	AZ	N	0	0	0	0	0	
4. Arkansas	AR	N	0	0	0	0	0	
5. California	CA	N	0	0	0	0	0	
6. Colorado	CO	N	0	0	0	0	0	
7. Connecticut	CT	N	0	0	0	0	0	
8. Delaware	DE	N	0	0	0	0	0	
9. District of Columbia	DC	N	0	0	0	0	0	
10. Florida	FL	N	0	0	0	0	0	
11. Georgia	GA	N	0	0	0	0	0	
12. Hawaii	HI	N	0	0	0	0	0	
13. Idaho	ID	N	0	0	0	0	0	
14. Illinois	IL	N	0	0	0	0	0	
15. Indiana	IN	N	0	0	0	0	0	
16. Iowa	IA	N	0	0	0	0	0	
17. Kansas	KS	N	0	0	0	0	0	
18. Kentucky	KY	N	0	0	0	0	0	
19. Louisiana	LA	N	0	0	0	0	0	
20. Maine	ME	N	0	0	0	0	0	
21. Maryland	MD	N	0	0	0	0	0	
22. Massachusetts	MA	L	3,535,296	2,003,085	477,816	243,588	1,654,416	390,023
23. Michigan	MI	N	0	0	0	0	0	0
24. Minnesota	MN	N	0	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0	0
26. Missouri	MO	N	0	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0	0
31. New Jersey	NJ	L	1,008,425	0	140,827	0	184,181	0
32. New Mexico	NM	N	0	0	0	0	0	0
33. New York	NY	L	3,999,782	1,556,550	730,292	50,056	1,231,843	100,023
34. North Carolina	NC	N	0	0	0	0	0	0
35. North Dakota	ND	N	0	0	0	0	0	0
36. Ohio	OH	N	0	0	0	0	0	0
37. Oklahoma	OK	N	0	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0	0
39. Pennsylvania	PA	L	0	0	0	0	0	0
40. Rhode Island	RI	L	1,490,651	921,000	354,903	210,310	916,056	304,788
41. South Carolina	SC	N	0	0	0	0	0	0
42. South Dakota	SD	N	0	0	0	0	0	0
43. Tennessee	TN	N	0	0	0	0	0	0
44. Texas	TX	N	0	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0
47. Virginia	VA	N	0	0	0	0	0	0
48. Washington	WA	N	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0
50. Wisconsin	WI	N	0	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0
57. Canada	CN	N	0	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0
59. Totals	(a) 5		10,034,154	4,480,635	1,703,838	503,954	3,986,496	794,834
DETAILS OF WRITE-INS								
5801.	XXX		0	0	0	0	0	0
5802.	XXX		0	0	0	0	0	0
5803.	XXX		0	0	0	0	0	0
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 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

NONE

PART 1 - LOSS EXPERIENCE

Line 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	138,025	0	0.0	41.1
2. Allied lines	101,963	17,743	17.4	221.4
3. Farmowners multiple peril			0.0	0.0
4. Homeowners multiple peril	7,506,338	3,499,745	46.6	21.2
5. Commercial multiple peril			0.0	0.0
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine	77,876	3,995	5.1	44.2
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability -occurrence			0.0	0.0
11.2 Medical professional liability -claims made			0.0	0.0
12. Earthquake	10,948	0	0.0	0.0
13. Group accident and health			0.0	0.0
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation			0.0	0.0
17.1 Other liability occurrence	103,374	0	0.0	(8.0)
17.2 Other liability-claims made			0.0	0.0
17.3 Excess Workers' Compensation			0.0	
18.1 Products liability-occurrence			0.0	0.0
18.2 Products liability-claims made			0.0	0.0
19.1,19.2 Private passenger auto liability			0.0	0.0
19.3,19.4 Commercial auto liability			0.0	0.0
21. Auto physical damage			0.0	0.0
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft			0.0	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	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	0.0
35. TOTALS	7,938,524	3,521,483	44.4	26.7
DETAILS OF WRITE-INS				
3401.			0.0	0.0
3402.			0.0	0.0
3403.			0.0	0.0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire	135,454	135,454	111,677
2. Allied Lines	102,857	102,857	82,469
3. Farmowners multiple peril	0	0	0
4. Homeowners multiple peril	9,574,575	9,574,575	4,224,663
5. Commercial multiple peril	0	0	0
6. Mortgage guaranty	0	0	0
8. Ocean marine	0	0	0
9. Inland marine	97,939	97,939	38,683
10. Financial guaranty	0	0	0
11.1 Medical professional liability-occurrence	0	0	0
11.2 Medical professional liability-claims made	0	0	0
12. Earthquake	11,084	11,084	5,517
13. Group accident and health	0	0	0
14. Credit accident and health	0	0	0
15. Other accident and health	0	0	0
16. Workers' compensation	0	0	0
17.1 Other liability occurrence	112,245	112,245	17,626
17.2 Other liability-claims made	0	0	0
17.3 Excess Workers' Compensation	0	0	0
18.1 Products liability-occurrence	0	0	0
18.2 Products liability-claims made	0	0	0
19.1,19.2 Private passenger auto liability	0	0	0
19.3,19.4 Commercial auto liability	0	0	0
21. Auto physical damage	0	0	0
22. Aircraft (all perils)	0	0	0
23. Fidelity	0	0	0
24. Surety	0	0	0
26. Burglary and theft	0	0	0
27. Boiler and machinery	0	0	0
28. Credit	0	0	0
29. International	0	0	0
30. Warranty	0	0	0
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	10,034,154	10,034,154	4,480,635
DETAILS OF WRITE-INS			
3401.	0	0	0
3402.	0	0	0
3403.	0	0	0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

STATEMENT AS OF MARCH 31, 2010 OF THE NARRAGANSETT BAY INSURANCE COMPANY

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	118	41	159	94		94	28		41	69	4	0	4
2. 2008	74	93	167	2		2	60		93	153	(13)	0	(13)
3. Subtotals 2008 + prior	192	134	326	96	0	96	88	0	134	222	(8)	0	(8)
4. 2009	1,105	765	1,870	637		637	593		765	1,358	125	0	125
5. Subtotals 2009 + prior	1,297	899	2,196	733	0	733	680	0	899	1,579	116	0	116
6. 2010	XXX	XXX	XXX	XXX	1,235	1,235	XXX	1,823	298	2,121	XXX	XXX	XXX
7. Totals	1,297	899	2,196	733	1,235	1,968	680	1,823	1,197	3,701	116	0	116
8. Prior Year-End Surplus As Regards Policyholders	25,519										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. 9.0	2. 0.0	3. 5.3
													Col. 13, Line 7 Line 8
													4. 0.5

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 on "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:

- 1. 
4 3 0 0 1 2 0 1 0 4 9 0 0 0 0 0 1
- 2. 
4 3 0 0 1 2 0 1 0 4 5 5 0 0 0 0 1
- 3. 
4 3 0 0 1 2 0 1 0 3 6 5 0 0 0 0 1

OVERFLOW PAGE FOR WRITE-INS

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	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances	NONE	0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other than temporary impairment recognized		0
8. Deduct current year's depreciation		0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4+5+6-7-8)	0	0
10. Deduct total nonadmitted amounts	0	0
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	0
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		0
2.2. Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)	NONE	0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and mortgage interest points and commitment fees		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		0
10. Deduct current year's other than temporary impairment recognized		0
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	0	0
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts	0	0
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	0
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		0
2.2. Additional investment made after acquisition		0
3. Capitalized deferred interest and other	NONE	0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		0
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	0	0
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	36,824,332	31,230,234
2. Cost of bonds and stocks acquired	1,871,807	29,869,865
3. Accrual of discount	4,140	63,858
4. Unrealized valuation increase (decrease)		(442,288)
5. Total gain (loss) on disposals	145,432	678,153
6. Deduct consideration for bonds and stocks disposed of	3,315,643	24,437,362
7. Deduct amortization of premium	69,240	138,109
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other than temporary impairment recognized		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8-9)	35,460,827	36,824,351
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	35,460,827	36,824,351

STATEMENT AS OF MARCH 31, 2010 OF THE NARRAGANSETT BAY INSURANCE COMPANY

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 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	37,181,737	5,143,086	4,594,961	(397,429)	37,332,433	0	0	37,181,737
2. Class 2 (a).....	0			332,443	332,443	0	0	0
3. Class 3 (a).....	0				0	0	0	0
4. Class 4 (a).....	0				0	0	0	0
5. Class 5 (a).....	0				0	0	0	0
6. Class 6 (a).....	37,500				37,500	0	0	37,500
7. Total Bonds	37,219,237	5,143,086	4,594,961	(64,986)	37,702,376	0	0	37,219,237
PREFERRED STOCK								
8. Class 1.....	0				0	0	0	0
9. Class 2.....	0				0	0	0	0
10. Class 3.....	0				0	0	0	0
11. Class 4.....	0				0	0	0	0
12. Class 5.....	0				0	0	0	0
13. Class 6.....	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	37,219,237	5,143,086	4,594,961	(64,986)	37,702,376	0	0	37,219,237

(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 \$ _____ ; NAIC 2 \$ _____ ;
NAIC 3 \$ _____ ; NAIC 4 \$ _____ ; NAIC 5 \$ _____ ; NAIC 6 \$ _____

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SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	441,589	XXX	439,060		

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	394,965	379,135
2. Cost of short-term investments acquired	1,471,434	2,094,858
3. Accrual of discount		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals		0
6. Deduct consideration received on disposals	1,424,750	2,078,739
7. Deduct amortization of premium.....	60	289
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other than temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	441,589	394,965
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	441,589	394,965

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule 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	.0
2. Cost of cash equivalents acquired	1,799,845	19,198,757
3. Accrual of discount115	.731
4. Unrealized valuation increase (decrease)0
5. Total gain (loss) on disposals.....		.18
6. Deduct consideration received on disposals		19,199,506
7. Deduct amortization of premium0
8. Total foreign exchange change in book/adjusted carrying value0
9. Deduct current year's other than temporary impairment recognized0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	1,799,960	.0
11. Deduct total nonadmitted amounts0
12. Statement value at end of current period (Line 10 minus Line 11)	1,799,960	0

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

STATEMENT AS OF MARCH 31, 2010 OF THE NARRAGANSETT BAY INSURANCE COMPANY

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 - Industrial and Miscellaneous (Unaffiliated)									
263534-BY-4	EI DU PONT DE NEMOUR & C		01/25/2010	MORGAN STANLEY & CO		501,870	500,000	3,566	1FE
369550-AN-8	GENERAL DYNAMICS CORP		01/27/2010	CREDIT SUISSE FIRST BOSTON		276,448	250,000		1FE
532457-BE-7	ELI LILLY & CO		01/21/2010	BANK OF AMERICA		558,065	525,000	8,575	1FE
74005P-AR-5	PRAXAIR INC		01/20/2010	HSBC SECURITIES USA INC		535,425	500,000	7,387	1FE
3899999	Totals - Bonds - Industrial and Miscellaneous (Unaffiliated)					1,871,807	1,775,000	19,528	XXX
8399997	Subtotals- Bonds - Part 3					1,871,807	1,775,000	19,528	XXX
8399999	Subtotals - Bonds					1,871,807	1,775,000	19,528	XXX
9999999 Totals						1,871,807	XXX	19,528	XXX

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

E04

STATEMENT AS OF MARCH 31, 2010 OF THE NARRAGANSETT BAY INSURANCE COMPANY

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	Foreign	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)
Bonds - U.S. Governments																					
31398A-ZV-7	FANNIE MAE GOVERNMENT NATL MTG ASSOC #550613		01/28/2010	MORGAN STANLEY & CO.		501,193	500,000	500,980	500,975		(14)		(14)		500,962		231	231	2,516	11/20/2014	1
36213C-VE-7	UNITED STATES TREASURY INFL INDEX NOTES		03/01/2010	PAYDOWN		21,059	21,059	20,565	21,050		9		9		21,059			0	161	01/01/2035	1
912828-JX-9			02/05/2010	VARIOUS		2,169,963	2,000,000	2,027,241	2,024,974		(212)		(212)		2,024,762		145,201	145,201	23,192	01/15/2019	1
0399999 - Totals - Bonds - U.S. Governments						2,692,215	2,521,059	2,548,786	2,546,999	0	(217)	0	(217)	0	2,546,783	0	145,432	145,432	25,868	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
3128LX-AE-0	FEDERAL HOME LOAN MTG CORP #601805		03/01/2010	PAYDOWN		9,104	9,104	8,577	9,117		(13)		(13)		9,104			0	87	04/01/2034	1
3128LX-QY-9	FEDERAL HOME LOAN MTG CORP #602271		03/01/2010	PAYDOWN		23,952	23,952	22,502	23,970		(18)		(18)		23,952			0	205	12/01/2034	1
3128M1-R6-8	FEDERAL HOME LN MTG CORP #G12409		03/01/2010	PAYDOWN		87,560	87,560	85,904	87,568		(8)		(8)		87,560			0	688	07/01/2019	1
3128MB-V5-3	FEDERAL HM LN MTG CORP #G13136		03/01/2010	PAYDOWN		21,945	21,945	21,427	21,948		(3)		(3)		21,945			0	163	12/01/2022	1
3128MB-X6-9	FEDERAL HOME LN MTG CORP #G13201		03/01/2010	PAYDOWN		33,294	33,294	32,508	33,290		3		3		33,294			0	238	01/01/2023	1
3128MM-K7-7	FEDERAL HOME LN MTG CORP #G18317		03/01/2010	PAYDOWN		19,951	19,951	20,362	19,954		(3)		(3)		19,951			0	130	05/01/2024	1
3128PG-NN-9	FEDERAL HOME LN MTG CORP #J04897		03/01/2010	PAYDOWN		23,597	23,597	24,083	23,603		(6)		(6)		23,597			0	124	11/01/2021	1
3128PK-RT-3	FEDERAL HOME LN MTG CORP #J07698		03/01/2010	PAYDOWN		123,386	123,386	121,535	123,379		6		6		123,386			0	964	09/01/2022	1
3128PP-H5-5	FEDERAL HOME LN MTG CORP #J10252		03/01/2010	PAYDOWN		12,338	12,338	12,221	12,338		1		1		12,338			0	72	05/01/2024	1
3128PP-R0-8	FEDERAL HOME LN MTG CORP #J10495		03/01/2010	PAYDOWN		12,541	12,541	12,766	12,546		(6)		(6)		12,541			0	82	07/01/2024	1
3128PP-UD-3	FEDERAL HOME LN MTG CORP #J10580		03/01/2010	PAYDOWN		12,973	12,973	13,206	12,981		(8)		(8)		12,973			0	114	07/01/2024	1
3128PP-UF-8	FEDERAL HOME LN MTG CORP #J10582		03/01/2010	PAYDOWN		17,531	17,531	18,079	17,544		(12)		(12)		17,531			0	121	08/01/2024	1
313960-F2-0	FANNIE MAE 09-75 LC		03/01/2010	PAYDOWN		9,475	9,475	9,583	9,478		(2)		(2)		9,475			0	66	05/01/2020	1
31396Y-FS-6	FANNIE MAE 08-5 PK		03/01/2010	PAYDOWN		10,215	10,215	10,489	10,223		(9)		(9)		10,215			0	77	01/01/2023	1
31398E-NA-8	FREDDIE MAC -3553 LA		03/01/2010	PAYDOWN		37,859	37,859	37,824	37,859		1		1		37,859			0	209	11/01/2016	1
31407V-3H-6	FEDERAL NATIONAL MTG ASSOC #842400		03/01/2010	PAYDOWN		1,039	1,039	978	1,039		0		0		1,039			0	8	07/01/2035	1
31410F-2J-3	FEDERAL NATIONAL MTG ASSOC #888277		03/01/2010	PAYDOWN		19,812	19,812	18,650	19,811		1		1		19,812			0	151	11/01/2035	1
31412M-FX-1	FEDERAL NATIONAL MTG ASSOC #929082		03/01/2010	PAYDOWN		942	942	887	943		0		0		942			0	7	01/01/2038	1
31412Q-JU-4	FEDERAL NATIONAL MTG ASSOC #931875		03/01/2010	PAYDOWN		39,993	39,993	41,768	40,025		(32)		(32)		39,993			0	299	08/01/2024	1
31412U-AJ-9	FEDERAL NATIONAL MTG ASSOC #934809		03/01/2010	PAYDOWN		8,009	8,009	8,294	8,015		(5)		(5)		8,009			0	61	11/01/2023	1
31412U-L7-3	FEDERAL NATIONAL MTG ASSOC #935150		03/01/2010	PAYDOWN		13,827	13,827	14,306	13,836		(9)		(9)		13,827			0	101	03/01/2024	1
31412V-CA-4	FEDERAL NATIONAL MTG ASSOC #935765		03/01/2010	PAYDOWN		32,907	32,907	34,367	32,933		(26)		(26)		32,907			0	247	10/01/2024	1
3199999 - Totals - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						572,250	572,250	570,317	572,400	0	(149)	0	(149)	0	572,250	0	0	0	4,214	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
05948X-WK-3	BANC OF AMERICA MTG SECS 03-8 2A4		03/01/2010	PAYDOWN		33,233	33,233	32,335	33,211		22		22		33,233			0	284	10/01/2018	12*
94983F-AC-4	WELLS FARGO MTG BKD SECS TR 06 1 A3		03/01/2010	PAYDOWN		17,945	17,945	17,592	17,934		12		12		17,945			0	134	06/01/2020	12*
3899999 - Totals - Bonds - Industrial and Miscellaneous (Unaffiliated)						51,178	51,178	49,927	51,145	0	34	0	34	0	51,178	0	0	0	418	XXX	XXX
8399997 - Total - Bonds - Part 4						3,315,643	3,144,487	3,169,029	3,170,543	0	(332)	0	(332)	0	3,170,211	0	145,432	145,432	30,500	XXX	XXX
8399999 - Total - Bonds						3,315,643	3,144,487	3,169,029	3,170,543	0	(332)	0	(332)	0	3,170,211	0	145,432	145,432	30,500	XXX	XXX
9999999 Totals						3,315,643	XXX	3,169,029	3,170,543	0	(332)	0	(332)	0	3,170,211	0	145,432	145,432	30,500	XXX	XXX

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

EO5

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D

NONE

