

STATEMENT AS OF JUNE 30, 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	33,080,625		33,080,625	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 (\$3,050,689), cash equivalents (\$2,199,944) and short-term investments (\$267,314)	5,517,947		5,517,947	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)	38,598,572	0	38,598,572	40,830,047
12. Title plants less \$charged off (for Title insurers only)			0	0
13. Investment income due and accrued	281,782		281,782	288,532
14. Premiums and considerations:				
14.1 Uncollected premiums and agents' balances in the course of collection	1,303,465	20,841	1,282,624	798,757
14.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums)	3,889,930		3,889,930	2,472,576
14.3 Accrued retrospective premiums			0	0
15. Reinsurance:				
15.1 Amounts recoverable from reinsurers	45,740		45,740	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	7,217,253	5,773,014	1,444,239	1,045,014
18. Guaranty funds receivable or on deposit			0	0
19. Electronic data processing equipment and software	110,193	29,431	80,762	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	5,991,780	78,956	5,912,824	937,665
23. Health care (\$) and other amounts receivable			0	0
24. Aggregate write-ins for other than invested assets	21,942	21,942	0	18,803
25. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 to 24)	57,460,657	5,924,184	51,536,473	46,464,176
26. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
27. Total (Lines 25 and 26)	57,460,657	5,924,184	51,536,473	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	21,942	21,942	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)	21,942	21,942	0	18,803

STATEMENT AS OF JUNE 30, 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 \$2,512,999)	3,661,770	1,907,590
2. Reinsurance payable on paid losses and loss adjustment expenses	123	1,802
3. Loss adjustment expenses	396,867	289,899
4. Commissions payable, contingent commissions and other similar charges	1,843,929	1,684,483
5. Other expenses (excluding taxes, licenses and fees)	673,376	268,654
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	(224,782)	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 \$4,157,301 and including warranty reserves of \$)	20,631,988	14,837,952
10. Advance premium	1,113,983	539,922
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	3,325,683	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	19,257	2,332
16. Provision for reinsurance	168,903	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	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)	31,611,097	20,945,380
26. Protected cell liabilities		0
27. Total liabilities (Lines 25 and 26)	31,611,097	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)	(22,582,621)	(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)	19,925,374	25,518,796
37. Totals	51,536,471	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 \$ 25,361,688)	17,578,594	7,617,567	19,738,180
1.2 Assumed (written \$)	621	6,996	9,062
1.3 Ceded (written \$ 9,728,617)	7,740,182	4,693,349	9,233,784
1.4 Net (written \$ 15,633,071)	9,839,033	2,931,214	10,513,458
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 5,604,624):			
2.1 Direct	6,738,499	1,308,503	3,202,058
2.2 Assumed	415	119,690	131,689
2.3 Ceded	1,004,946	90,919	301,595
2.4 Net	5,733,968	1,337,274	3,032,152
3. Loss adjustment expenses incurred	571,395	107,533	800,471
4. Other underwriting expenses incurred	10,550,213	8,948,958	16,066,161
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	16,855,576	10,393,765	19,898,784
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(7,016,543)	(7,462,551)	(9,385,326)
INVESTMENT INCOME			
9. Net investment income earned	635,563	583,512	1,022,444
10. Net realized capital gains (losses) less capital gains tax of \$	169,064	367,940	678,170
11. Net investment gain (loss) (Lines 9 + 10)	804,627	951,452	1,700,614
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)	(64,747)	(29,572)	(80,652)
13. Finance and service charges not included in premiums	155,822	67,860	186,976
14. Aggregate write-ins for miscellaneous income	0	0	0
15. Total other income (Lines 12 through 14)	91,075	38,288	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)	(6,120,841)	(6,472,811)	(7,578,388)
17. Dividends to policyholders	0	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)	(6,120,841)	(6,472,811)	(7,578,388)
19. Federal and foreign income taxes incurred	0	0	0
20. Net income (Line 18 minus Line 19)(to Line 22)	(6,120,841)	(6,472,811)	(7,578,388)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	25,518,796	23,942,726	23,942,725
22. Net income (from Line 20)	(6,120,841)	(6,472,811)	(7,578,388)
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	0	(291,551)	(442,288)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	2,131,948	0	2,282,882
27. Change in nonadmitted assets	(1,534,826)	(27,500)	(1,586,935)
28. Change in provision for reinsurance	(69,703)	0	(99,200)
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	0	0	9,000,000
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	0	0	0
36. Change in treasury stock	0	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)	(5,593,422)	(6,791,862)	1,576,071
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	19,925,374	17,150,864	25,518,796
DETAILS OF WRITE-INS			
0501.	0	0	0
0502.	0	0	0
0503.	0	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	0
1402.	0	0	0
1403.	0	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	0
3702.	0	0	0
3703.	0	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	16,478,546	5,117,764	18,242,326
2. Net investment income	769,829	646,285	1,057,452
3. Miscellaneous income	91,075	38,288	106,324
4. Total (Lines 1 to 3)	17,339,450	5,802,337	19,406,102
5. Benefit and loss related payments	3,987,220	1,009,499	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	15,818,746	9,118,337	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)	19,805,966	10,127,836	21,169,006
11. Net cash from operations (Line 4 minus Line 10)	(2,466,516)	(4,325,499)	(1,762,904)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	5,907,047	12,833,879	24,346,200
12.2 Stocks	0	91,162	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	16	0	18
12.7 Miscellaneous proceeds	0	496,290	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	5,907,063	13,421,331	24,437,380
13. Cost of investments acquired (long-term only):			
13.1 Bonds	2,121,807	8,905,610	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	1	0	1
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,121,808	8,905,610	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)	3,785,255	4,515,721	(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)	193,496	(16,568)	(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)	193,496	(16,568)	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)	1,512,235	173,654	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)	5,517,964	2,703,581	4,005,729

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Practices

A. Accounting Practices

The accompanying financial statements of Narragansett Bay Insurance Company (the "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 of 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	-	-	-	-	-	-
Collateralized mortgage-backed obligations	130,467	(2,465)	-	-	130,467	(2,465)
Other structured securities	-	-	-	-	-	-
Total	130,467	(2,465)	-	-	130,467	(2,465)

(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 June 30, 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 June 30, 2010 and reacquired within 30 days of the sale date are:

None. The Company did not have any Wash Sales during the quarter ended June 30, 2010.

18. - 23. No significant changes.

NOTES TO FINANCIAL STATEMENTS

24. Changes in Incurred Losses and Loss Adjustment Expenses

Reserves for losses and loss adjustment expenses as of December 31, 2009 were \$2.2 million. As of June 30, 2010, \$1.0 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 \$1.4 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 \$0.2 million unfavorable prior-year development since December 31, 2009 to June 30, 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
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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: \$ 2,000

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	\$	\$
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	FARMINGTON, 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 \$ _____

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)
		AFFILIATES		
		US INSURERS		
12416	35-6021485	PROTECTIVE INSURANCE COMPANY	AMERICA	Yes
		POOLS AND ASSOCIATIONS		
		ALL OTHER INSURERS		
00000	AA-3190770	ACE TEMPEST REINSURANCE LTD.	BERMUDA	No
00000	AA-3194128	ALLIED WORLD ASSURANCE COMPANY LIMITED	BERMUDA	No
00000	AA-3194139	AXIS SPECIALTY LIMITED	BERMUDA	No
00000	AA-3190875	HISCOX INSURANCE COMPANY (BERMUDA) LTD.	BERMUDA	No
00000	AA-3190838	TOKIO MILLENNIUM REINSURANCE LIMITED	BERMUDA	No
00000	AA-1840000	MAPFRE RE, COMPANIA DE REASEGUROS S.A.	SPAIN	Yes
00000	AA-1126033	LLOYD'S SYNDICATE #0033 HIS	LONDON	Yes
00000	AA-1126382	LLOYD'S SYNDICATE #0382	LONDON	Yes
00000	AA-1126435	LLOYD'S SYNDICATE #0435 FDY	LONDON	Yes
00000	AA-1126623	LLOYD'S SYNDICATE #623 AFB	LONDON	Yes
00000	AA-1126780	LLOYD'S SYNDICATE #780 ADV	LONDON	Yes
00000	AA-1126958	LLOYD'S SYNDICATE #0958 GSC	LONDON	Yes
00000	AA-1127084	LLOYD'S SYNDICATE #1084 CSL	LONDON	Yes
00000	AA-1127225	LLOYD'S SYNDICATE #1225 AES	LONDON	Yes
00000	AA-1127301	LLOYD'S SYNDICATE #1301 BGT	LONDON	Yes
00000	AA-1120096	LLOYD'S SYNDICATE #1880 TMK	LONDON	Yes
00000	AA-1120083	LLOYD'S SYNDICATE #1910 ARW	LONDON	Yes
00000	AA-1120084	LLOYD'S SYNDICATE #1955 BAR	LONDON	Yes
00000	AA-1128010	LLOYD'S SYNDICATE #2010 MMX	LONDON	Yes
00000	AA-1126004	LLOYD'S SYNDICATE #4444 CNP	LONDON	Yes
00000	AA-1120086	LLOYD'S SYNDICATE #4141 HCC	LONDON	Yes

STATEMENT AS OF JUNE 30, 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	9,194,769	5,333,483	1,206,428	485,987	2,111,006	537,101
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	2,422,121	31,914	305,594	0	216,288	78
32. New Mexico	NM	N	0	0	0	0	0	0
33. New York	NY	L	9,131,380	4,013,774	1,346,978	104,175	2,049,241	302,150
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	4,613,418	2,403,556	1,077,938	279,394	593,879	581,169
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		25,361,688	11,782,727	3,936,938	869,557	4,970,414	1,420,499
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

STATEMENT AS OF JUNE 30, 2010 OF THE NARRAGANSETT BAY INSURANCE COMPANY

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	291,355		0.0	25.1
2. Allied lines	216,515	(6,332)	(2.9)	129.7
3. Farmowners multiple peril			0.0	0.0
4. Homeowners multiple peril	16,646,249	6,749,431	40.5	14.0
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	176,024	(14,600)	(8.3)	37.8
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	24,265		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	224,186	10,000	4.5	3.5
17.2 Other liability-claims made			0.0	0.0
17.3 Excess Workers' Compensation			0.0	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	17,578,594	6,738,499	38.3	17.2
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	250,448	385,902	278,766
2. Allied Lines	191,196	294,053	203,396
3. Farmowners multiple peril	0	0	0
4. Homeowners multiple peril	14,505,800	24,080,375	11,103,777
5. Commercial multiple peril	0	0	0
6. Mortgage guaranty	0	0	0
8. Ocean marine	0	0	0
9. Inland marine	154,877	252,816	106,155
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	22,327	33,411	15,768
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	202,886	315,131	74,865
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	15,327,534	25,361,688	11,782,727
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 JUNE 30, 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	98		98	28		41	69	9	0	9
2. 2008	74	93	167	14		14	164		93	257	104	0	104
3. Subtotals 2008 + prior	192	134	326	112	0	112	192	0	134	326	113	0	113
4. 2009	1,105	765	1,870	887		887	325		765	1,090	106	0	106
5. Subtotals 2009 + prior	1,297	899	2,196	999	0	999	517	0	899	1,416	219	0	219
6. 2010	XXX	XXX	XXX	XXX	3,445	3,445	XXX	1,978	663	2,641	XXX	XXX	XXX
7. Totals	1,297	899	2,196	999	3,445	4,444	517	1,978	1,562	4,057	219	0	219
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. 16.9	2. 0.0	3. 10.0
													Col. 13, Line 7 Line 8
													4. 0.9

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

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
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		0
4. Accrual of discount	NONE	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	2,121,807	29,869,865
3. Accrual of discount	11,428	63,858
4. Unrealized valuation increase (decrease)		(442,288)
5. Total gain (loss) on disposals	169,049	678,153
6. Deduct consideration for bonds and stocks disposed of	5,907,047	24,437,362
7. Deduct amortization of premium	138,944	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)	33,080,625	36,824,351
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	33,080,625	36,824,351

STATEMENT AS OF JUNE 30, 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).....	37,332,433	10,414,246	12,506,733	(223,417)	37,332,433	35,016,529	.0	37,181,737
2. Class 2 (a).....	332,443			161,396	332,443	493,839	.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	37,500	0	37,500
7. Total Bonds	37,702,376	10,414,246	12,506,733	(62,021)	37,702,376	35,547,868	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	37,702,376	10,414,246	12,506,733	(62,021)	37,702,376	35,547,868	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 \$ _____

S102

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	267,314	XXX	264,771	1	

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	1,636,205	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	1,763,810	2,078,739
7. Deduct amortization of premium.....	46	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).....	267,314	394,965
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	267,314	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	11,799,320	19,198,757
3. Accrual of discount .....	.510	.731
4. Unrealized valuation increase (decrease) .....		.0
5. Total gain (loss) on disposals .....	.16	.18
6. Deduct consideration received on disposals	9,599,901	19,199,506
7. Deduct amortization of premium .....		.0
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)	2,199,945	.0
11. Deduct total nonadmitted amounts .....		.0
12. Statement value at end of current period (Line 10 minus Line 11)	2,199,945	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 JUNE 30, 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																					
36213C-VE-7	GOVERNMENT NATL MTG ASSOC #550613		06/01/2010	PAYDOWN		14,610	14,610	14,267	14,586		24		24		14,610			0	308	01/01/2035	1
0399999 - Totals - Bonds - U.S. Governments																					
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		06/01/2010	PAYDOWN		6,456	6,456	6,082	6,463		(7)		(7)		6,456			0	121	04/01/2034	1
3128LX-QY-9	FEDERAL HOME LOAN MTG CORP #602271		06/01/2010	PAYDOWN		13,939	13,939	13,095	13,951		(12)		(12)		13,939			0	261	12/01/2034	1
3128M1-R6-8	FEDERAL HOME LOAN MTG CORP #612409		06/01/2010	PAYDOWN		99,089	99,089	97,215	99,050		39		39		99,089			0	1,803	07/01/2019	1
3128MB-V5-3	FEDERAL HOME LN MTG CORP #G13136		06/01/2010	PAYDOWN		19,794	19,794	19,327	19,799		(4)		(4)		19,794			0	367	12/01/2022	1
3128MB-X6-9	FEDERAL HM LN MTG CORP G13201		06/01/2010	PAYDOWN		24,484	24,484	23,906	24,463		21		21		24,484			0	457	01/01/2023	1
3128MM-K7-7	FEDERAL HOME LN MTG CORP #G18317		06/01/2010	PAYDOWN		17,037	17,037	17,388	17,052		(16)		(16)		17,037			0	315	05/01/2024	1
3128PG-NN-9	FEDERAL HOME LN MTG CORP #J04897		06/01/2010	PAYDOWN		50,223	50,223	51,259	50,319		(96)		(96)		50,223			0	977	11/01/2021	1
3128PK-RT-3	FEDERAL HOME LN MTG CORP #J07698		06/01/2010	PAYDOWN		83,668	83,668	82,413	83,620		48		48		83,668			0	1,522	09/01/2022	1
3128PP-H5-5	FEDERAL HOME LN MTG CORP #J10252		06/01/2010	PAYDOWN		18,355	18,355	18,180	18,350		4		4		18,355			0	272	05/01/2024	1
3128PP-R0-8	FEDERAL HOME LN MTG CORP #J10495		06/01/2010	PAYDOWN		9,999	9,999	10,179	10,020		(21)		(21)		9,999			0	204	07/01/2024	1
3128PP-UD-3	FEDERAL HOME LN MTG CORP #J10580		06/01/2010	PAYDOWN		3,821	3,821	3,890	3,828		(7)		(7)		3,821			0	70	07/01/2024	1
3128PP-UF-8	FEDERAL HOME LN MTG CORP #J10582		06/01/2010	PAYDOWN		25,366	25,366	26,159	25,447		(81)		(81)		25,366			0	469	08/01/2024	1
313960-F2-0	FANNIE MAE 09-75 LC		06/01/2010	PAYDOWN		12,297	12,297	12,437	12,306		(9)		(9)		12,297			0	204	05/01/2020	1
31396Y-FS-6	FANNIE MAE 08-5 PK		06/01/2010	PAYDOWN		94,101	94,101	96,630	94,452		(352)		(352)		94,101			0	1,505	01/01/2023	1
31398E-NA-8	FREDDIE MAC -3553 LA		06/01/2010	PAYDOWN		30,780	30,780	30,778	30,780		2		2		30,780			0	397	11/01/2016	1
31407V-3H-6	FEDERAL NATIONAL MTG ASSOC #842400		06/01/2010	PAYDOWN		1,238	1,238	1,165	1,238		(1)		(1)		1,238			0	24	07/01/2035	1
31410F-2J-3	FEDERAL NATIONAL MTG ASSOC #888277		06/01/2010	PAYDOWN		19,881	19,881	18,715	19,859		23		23		19,881			0	394	11/01/2035	1
31412M-FX-1	FEDERAL NATIONAL MTG ASSOC #929082		06/01/2010	PAYDOWN		27,963	27,963	26,329	28,026		(63)		(63)		27,963			0	626	01/01/2038	1
31412U-JU-4	FEDERAL NATIONAL MTG ASSOC #931875		06/01/2010	VARIOUS		904,783	866,600	905,056	903,389		(3,134)		(3,134)		900,255		4,528	4,528	18,134	08/01/2024	1
31412U-AJ-9	FEDERAL NATIONAL MTG ASSOC #934809		06/01/2010	PAYDOWN		21,682	21,682	22,451	21,743		(61)		(61)		21,682			0	413	11/01/2023	1
31412U-L7-3	FEDERAL NATIONAL MTG ASSOC #935150		06/01/2010	PAYDOWN		6,435	6,435	6,658	6,453		(18)		(18)		6,435			0	121	03/01/2024	1
31412V-CA-4	FEDERAL NATIONAL MTG ASSOC #935765		06/01/2010	PAYDOWN		44,490	44,490	46,464	44,624		(134)		(134)		44,490			0	811	10/01/2024	1
66585V-AG-0	NORTHERN TOB SECURITIZATION		06/01/2010	PREREFUNDED		310,000	310,000	321,393	313,088		(3,088)		(3,088)		310,000			0	9,610	06/01/2010	1FE
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																					
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
05948X-WK-3	BANC OF AMERICA MTG SECS 03-8 2A4		06/01/2010	PAYDOWN		32,006	32,006	31,141	31,922		84		84		32,006			0	605	10/01/2018	12*
718507-B0-8	PHILLIPS PETROLEUM COMPANY		05/25/2010	MATURITY		400,000	400,000	438,068	407,943		(7,943)		(7,943)		400,000			0	17,500	05/25/2010	1FE
94983F-AC-4	WELLS FARGO MTG BKD SECS TR 06 1 A3		06/01/2010	PAYDOWN		9,970	9,970	9,773	9,945		25		25		9,970			0	200	06/01/2020	12*
25243Y-AN-9	DIAGEO CAPITAL PLC		05/14/2010	EXCHANGE		288,938	250,000	275,485	271,662		(1,812)		(1,812)		269,849		19,089	19,089	15,313	01/15/2014	1FE
3999999 - Totals - Bonds - Industrial and Miscellaneous (Unaffiliated)																					
8399997 - Total - Bonds - Part 4																					
8399999 - Total - Bonds																					
9999999 Totals																					

E05

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

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D

NONE

