2 4 2 9 5 2 0 1 0 2 0 1 0 0 1 0 0

PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2010

OF THE CONDITION AND AFFAIRS OF THE

Providence Washington Insurance Company

NAIC Group Code 0156 (Current Period), 0156 (Prior Period) NAIC Company Code 24295 Employer's ID Number 05-0204450

Organized under the Laws of Rhode Island, State of Domicile or Port of Entry Rhode Island

Country of Domicile United States

Incorporated/Organized 01/05/1799 Commenced Business 02/01/1799

Statutory Home Office 1275 Wampanoag Trail (Street and Number), East Providence, RI 02915 (City or Town, State and Zip Code)

Main Administrative Office 1275 Wampanoag Trail (Street and Number) East Providence, RI 02915 (City or Town, State and Zip Code) 401-453-7000 (Area Code) (Telephone Number)

Mail Address 1275 Wampanoag Trail (Street and Number or P.O. Box), East Providence, RI 02915 (City or Town, State and Zip Code)

Primary Location of Books and Records 1275 Wampanoag Trail (Street and Number) East Providence, RI 02915 (City or Town, State and Zip Code) 401-453-7132 (Area Code) (Telephone Number)

Internet Website Address www.enstargroup.us.com

Statutory Statement Contact Donald Edward Woellner (Name) 401-453-7132 (Area Code) (Telephone Number) (Extension)

don.woellner@enstargroup.us.com (E-mail Address) 401-432-3190 (Fax Number)

OFFICERS

Name	Title	Name	Title
KARL JOHN WALL #	President / Chairman	ROBERT BARRY CARLSON #	Executive VP, Treasurer & COO
THOMAS JOHN BALKAN #	Corporate Secretary		

OTHER OFFICERS

JOSEPH PATRICK FOLLIS #	Executive Vice President - Claims	JOHN STEPHEN BENTZ	Assistant VP
DONALD EDWARD WOELLNER	Senior Vice President, CFO	NANCY RODRIGUES RESENDE	Assistant Secretary

DIRECTORS OR TRUSTEES

KARL JOHN WALL #	ROBERT BARRY CARLSON #	JOSEPH PATRICK FOLLIS #	DONALD EDWARD WOELLNER
DONNA LYNN STOLZ #			

State of Rhode Island

County of Providence ss

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

KARL JOHN WALL	THOMAS JOHN BALKAN	ROBERT BARRY CARLSON
President / Chairman	Corporate Secretary	Executive VP, Treasurer & COO

Subscribed and sworn to before me this 4th day of February, 2011

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

Nancy L. Wass Notary
March 13, 2013

ASSETS

	Current Year 1 Assets	Current Year 2 Nonadmitted Assets	Current Year 3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	78,788,866		78,788,866	59,660,728
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	14,589,629		14,589,629	14,879,384
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $ encumbrances)			0	0
4.2 Properties held for the production of income (less $ encumbrances)			0	0
4.3 Properties held for sale (less $ encumbrances)			0	0
5. Cash ($ 707,232 , Schedule E - Part 1), cash equivalents ($ 5,699,304 , Schedule E - Part 2) and short-term investments ($ 1,626,120 , Schedule DA)	8,032,656		8,032,656	30,880,099
6. Contract loans (including $ premium notes)			0	0
7. Derivatives			0	
8. Other invested assets (Schedule BA)	3,733,333		3,733,333	3,702,810
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets			0	
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	105,144,484	0	105,144,484	109,123,021
13. Title plants less $ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	608,708		608,708	480,209
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	1,045,831		1,045,831	1,056,243
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ earned but unbilled premium)			0	0
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	1,160,510		1,160,510	4,880,755
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	797,655		797,655	322,683
18.2 Net deferred tax asset	27,852,751	27,852,751	0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software	40,071		40,071	75,242
21. Furniture and equipment, including health care delivery assets ($)	45,331	45,331	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	683,156		683,156	831,269
24. Health care ($) and other amounts receivable			0	0
25. Aggregate write-ins for other than invested assets	177,081	0	177,081	233,645
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	137,555,578	27,898,082	109,657,496	117,003,067
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	137,555,578	27,898,082	109,657,496	117,003,067
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. EQUITIES AND DEPOSITS IN POOLS AND ASSOCIATIONS	177,078		177,078	215,372
2502. OTHER ASSETS	3		3	18,273
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	177,081	0	177,081	233,645

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	49,650,055	51,342,220
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	1,405,682	1,324,516
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	12,068,262	15,740,340
4.	Commissions payable, contingent commissions and other similar charges	(9,769)	(13,065)
5.	Other expenses (excluding taxes, licenses and fees)	7,805,132	7,018,336
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	1,249,656	1,164,210
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 (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $ .... and including warranty reserves of $ ....)	0	488
10.	Advance premium		0
11.	Dividends declared and unpaid:		
	11.1 Stockholders		0
	11.2 Policyholders		0
12.	Ceded reinsurance premiums payable (net of ceding commissions)	1,967,808	2,667,732
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		0
14.	Amounts withheld or retained by company for account of others		0
15.	Remittances and items not allocated		0
16.	Provision for reinsurance (Schedule F, Part 7)	1,187,561	1,903,363
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		
21.	Payable for securities		0
22.	Payable for securities lending		
23.	Liability for amounts held under uninsured plans		0
24.	Capital notes $ .... and interest thereon $		0
25.	Aggregate write-ins for liabilities	886,262	921,209
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	76,210,649	82,069,349
27.	Protected cell liabilities		0
28.	Total liabilities (Lines 26 and 27)	76,210,649	82,069,349
29.	Aggregate write-ins for special surplus funds	0	0
30.	Common capital stock	5,021,200	5,021,200
31.	Preferred capital stock		0
32.	Aggregate write-ins for other than special surplus funds	0	0
33.	Surplus notes		0
34.	Gross paid in and contributed surplus	80,233,079	80,617,434
35.	Unassigned funds (surplus)	(51,807,432)	(50,704,916)
36.	Less treasury stock, at cost:		
	36.1 .... shares common (value included in Line 30 $ ....)		0
	36.2 .... shares preferred (value included in Line 31 $ ....)		0
37.	Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	33,446,847	34,933,718
38.	Totals (Page 2, Line 28, Col. 3)	109,657,496	117,003,067
	DETAILS OF WRITE-INS		
2501.	DIRECT PAYABLE EQUITIES & DEPOSITS	756,750	757,398
2502.	SURTAX PAYABLE	118,124	120,159
2503.	ESCHEAT RESERVE	9,031	43,585
2598.	Summary of remaining write-ins for Line 25 from overflow page	2,357	67
2599.	Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	886,262	921,209
2901.			
2902.			
2903.			
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0
2999.	Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.			
3202.			
3203.			
3298.	Summary of remaining write-ins for Line 32 from overflow page	0	0
3299.	Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

		1 Current Year	2 Prior Year
	UNDERWRITING INCOME		
1.	Premiums earned (Part 1, Line 35, Column 4)	385,380	(345,328)
	DEDUCTIONS:		
2.	Losses incurred (Part 2, Line 35, Column 7)	1,808,529	(8,717,351)
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	98,813	3,180,628
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2)	3,153,607	5,096,949
5.	Aggregate write-ins for underwriting deductions	0	0
6.	Total underwriting deductions (Lines 2 through 5)	5,060,949	(439,774)
7.	Net income of protected cells		0
8.	Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(4,675,569)	94,446
	INVESTMENT INCOME		
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	2,383,422	3,532,629
10.	Net realized capital gains (losses) less capital gains tax of $ (Exhibit of Capital Gains (Losses))	124,476	2,283,085
11.	Net investment gain (loss) (Lines 9 + 10)	2,507,898	5,815,714
	OTHER INCOME		
12.	Net gain (loss) from agents' or premium balances charged off (amount recovered $ 488 amount charged off $)	488	6,546
13.	Finance and service charges not included in premiums		26
14.	Aggregate write-ins for miscellaneous income	1,208	421,657
15.	Total other income (Lines 12 through 14)	1,696	428,229
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(2,165,975)	6,338,389
17.	Dividends to policyholders		0
18.	Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(2,165,975)	6,338,389
19.	Federal and foreign income taxes incurred	(746,644)	88,852
20.	Net income (Line 18 minus Line 19) (to Line 22)	(1,419,331)	6,249,537
	CAPITAL AND SURPLUS ACCOUNT		
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	34,933,718	65,947,502
22.	Net income (from Line 20)	(1,419,331)	6,249,537
23.	Net transfers (to) from Protected Cell accounts		0
24.	Change in net unrealized capital gains or (losses) less capital gains tax of $ 38,909	(214,875)	89,424
25.	Change in net unrealized foreign exchange capital gain (loss)		(89,036)
26.	Change in net deferred income tax	2,553,789	(3,111,379)
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(2,329,752)	3,663,325
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	715,802	(1,354,863)
29.	Change in surplus notes		0
30.	Surplus (contributed to) withdrawn from protected cells		0
31.	Cumulative effect of changes in accounting principles		0
32.	Capital changes:		
	32.1 Paid in		0
	32.2 Transferred from surplus (Stock Dividend)		0
	32.3 Transferred to surplus		0
33.	Surplus adjustments:		
	33.1 Paid in	(384,355)	2,086,285
	33.2 Transferred to capital (Stock Dividend)		0
	33.3 Transferred from capital		0
34.	Net remittances from or (to) Home Office		0
35.	Dividends to stockholders		(38,831,052)
36.	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)	0	0
37.	Aggregate write-ins for gains and losses in surplus	(408,149)	283,975
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37)	(1,486,871)	(31,013,784)
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	33,446,847	34,933,718
	DETAILS OF WRITE-INS		
0501.			
0502.			
0503.			
0598.	Summary of remaining write-ins for Line 5 from overflow page	0	0
0599.	Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401.	OTHER INCOME (EXPENSE)	1,178	421,869
1402.	GAIN (LOSS) ON SALE OF FIXED ASSETS	30	951
1403.	LIMITED ASSIGNMENT DISTRIBUTION BUYOUT COST		(1,163)
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0
1499.	Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	1,208	421,657
3701.	CHANGE IN ADDITIONAL PENSION LIABILITY, NET OF TAX	(408,149)	283,975
3702.			
3703.			
3798.	Summary of remaining write-ins for Line 37 from overflow page	0	0
3799.	Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	(408,149)	283,975

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	(304,620)	51,439
2. Net investment income	2,731,874	7,238,397
3. Miscellaneous income	39,990	540,405
4. Total (Lines 1 through 3)	2,467,244	7,830,241
5. Benefit and loss related payments	(300,717)	6,801,849
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	6,048,961	11,475,003
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of $ .... tax on capital gains (losses)	(271,672)	988,971
10. Total (Lines 5 through 9)	5,476,572	19,265,823
11. Net cash from operations (Line 4 minus Line 10)	(3,009,328)	(11,435,582)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	9,688,302	46,237,984
12.2 Stocks	39,199	(1)
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(7)	0
12.7 Miscellaneous proceeds	1	832,889
12.8 Total investment proceeds (Lines 12.1 to 12.7)	9,727,495	47,070,872
13. Cost of investments acquired (long-term only):		
13.1 Bonds	29,124,843	3,198,789
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	832,892
13.7 Total investments acquired (Lines 13.1 to 13.6)	29,124,843	4,031,681
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(19,397,348)	43,039,191
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	2,086,285
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities		0
16.5 Dividends to stockholders	0	38,831,052
16.6 Other cash provided (applied)	(440,769)	896,734
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(440,769)	(35,848,033)
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)	(22,847,445)	(4,244,424)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	30,880,099	35,124,523
19.2 End of year (Line 18 plus Line 19.1)	8,032,654	30,880,099

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	(5)	289	0	284
2.	Allied lines	(10)	199	0	189
3.	Farmowners multiple peril	0	0	0	0
4.	Homeowners multiple peril	0	0	0	0
5.	Commercial multiple peril	156,777	0	0	156,777
6.	Mortgage guaranty	0	0	0	0
8.	Ocean marine	0	0	0	0
9.	Inland marine	0	0	0	0
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	0	0	0	0
13.	Group accident and health	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0
15.	Other accident and health	0	0	0	0
16.	Workers' compensation	149,097	0	0	149,097
17.1	Other liability - occurrence	537	0	0	537
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	1,498	0	0	1,498
19.3,19.4	Commercial auto liability	75,842	0	0	75,842
21.	Auto physical damage	1,156	0	0	1,156
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	0	0	0	0
32.	Reinsurance - nonproportional assumed liability	0	0	0	0
33.	Reinsurance - nonproportional assumed financial Lines	0	0	0	0
34.	Aggregate write-ins for other lines of business	0	0	0	0
35.	TOTALS	384,892	488	0	385,380
	DETAILS OF WRITE-INS				
3401.		0	0	0	0
3402.					
3403.					
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire					0
2. Allied lines					0
3. Farmowners multiple peril					0
4. Homeowners multiple peril					0
5. Commercial multiple peril					0
6. Mortgage guaranty					0
8. Ocean marine					0
9. Inland marine					0
10. Financial guaranty					0
11.1 Medical professional liability - occurrence					0
11.2 Medical professional liability - claims-made					0
12. Earthquake					0
13. Group accident and health					0
14. Credit accident and health (group and individual)					0
15. Other accident and health					0
16. Workers' compensation					0
17.1 Other liability - occurrence					0
17.2 Other liability - claims-made					0
17.3 Excess workers' compensation					0
18.1 Products liability - occurrence					0
18.2 Products liability - claims-made					0
19.1,19.2 Private passenger auto liability					0
19.3,19.4 Commercial auto liability					0
21. Auto physical damage					0
22. Aircraft (all perils)					0
23. Fidelity					0
24. Surety					0
26. Burglary and theft					0
27. Boiler and machinery					0
28. Credit					0
29. International					0
30. Warranty					0
31. Reinsurance - nonproportional assumed property					0
32. Reinsurance - nonproportional assumed liability					0
33. Reinsurance - nonproportional assumed financial lines					0
34. Aggregate write-ins for other lines of business	0	0	0	0	0
35. TOTALS	0	0	0	0	0
36. Accrued retrospective premiums based on experience					
37. Earned but unbilled premiums					
38. Balance (Sum of Lines 35 through 37)					0
DETAILS OF WRITE-INS					
3401.					0
3402.					0
3403.					0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0

NONE

(a) State here basis of computation used in each case .

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed 2 From Affiliates	Reinsurance Assumed 3 From Non-Affiliates	Reinsurance Ceded 4 To Affiliates	Reinsurance Ceded 5 To Non-Affiliates	6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
1. Fire	(6)			(1)		(5)
2. Allied lines	(12)			(2)		(10)
3. Farmowners multiple peril						0
4. Homeowners multiple peril						0
5. Commercial multiple peril				27,667	(184,444)	156,777
6. Mortgage guaranty						0
8. Ocean marine						0
9. Inland marine						0
10. Financial guaranty						0
11.1 Medical professional liability - occurrence						0
11.2 Medical professional liability - claims-made						0
12. Earthquake						0
13. Group accident and health						0
14. Credit accident and health (group and individual)						0
15. Other accident and health						0
16. Workers' compensation			684	26,311	(174,724)	149,097
17.1 Other liability - occurrence			632	95		537
17.2 Other liability - claims-made						0
17.3 Excess workers' compensation						0
18.1 Products liability - occurrence						0
18.2 Products liability - claims-made						0
19.1,19.2 Private passenger auto liability				264	(1,762)	1,498
19.3,19.4 Commercial auto liability			35,439	13,384	(53,787)	75,842
21. Auto physical damage			1,360	204		1,156
22. Aircraft (all perils)						0
23. Fidelity						0
24. Surety						0
26. Burglary and theft						0
27. Boiler and machinery						0
28. Credit						0
29. International						0
30. Warranty						0
31. Reinsurance - nonproportional assumed property	XXX					0
32. Reinsurance - nonproportional assumed liability	XXX					0
33. Reinsurance - nonproportional assumed financial lines	XXX					0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0
35. TOTALS	(18)	0	38,115	67,922	(414,717)	384,892
DETAILS OF WRITE-INS						
3401.						0
3402.						0
3403.						
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 above)	0	0	0	0	0	0

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [ ] No [X]

If yes: 1. The amount of such installment premiums $

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis $

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

	Line of Business	Losses Paid Less Salvage 1 Direct Business	 2 Reinsurance Assumed	 3 Reinsurance Recovered	 4 Net Payments (Cols. 1 + 2 - 3)	5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire	(1,710)		(257)	(1,453)	9,329	12,012	(4,136)	(1,456.3)
2.	Allied lines	17		3	14	401	614	(199)	(105.3)
3.	Farmowners multiple peril				0	0	0	0	0.0
4.	Homeowners multiple peril	92,561	3,601	90,924	5,238	372,935	500,865	(122,692)	0.0
5.	Commercial multiple peril	1,679,893	(162,381)	258,323	1,259,189	6,135,535	8,445,050	(1,050,326)	(669.9)
6.	Mortgage guaranty				0	0	0	0	0.0
8.	Ocean marine				0	0	0	0	0.0
9.	Inland marine				0	(4,256)	(4,256)	0	0.0
10.	Financial guaranty				0	0	0	0	0.0
11.1	Medical professional liability - occurrence				0	0	0	0	0.0
11.2	Medical professional liability - claims-made				0	0	0	0	0.0
12.	Earthquake				0	0	0	0	0.0
13.	Group accident and health				0	0	0	0	0.0
14.	Credit accident and health (group and individual)				0	0	0	0	0.0
15.	Other accident and health				0	0	0	0	0.0
16.	Workers' compensation	1,464,679	450,814	703,980	1,211,513	27,756,964	28,896,152	72,325	48.5
17.1	Other liability - occurrence	231,080	(13,390)	97,050	120,640	2,966,341	2,729,025	357,956	66,658.5
17.2	Other liability - claims-made				0	0	0	0	0.0
17.3	Excess workers' compensation				0	0	0	0	0.0
18.1	Products liability - occurrence				0	0	0	0	0.0
18.2	Products liability - claims-made				0	0	0	0	0.0
19.1,19.2	Private passenger auto liability	19,787	(1,781)	2,701	15,305	281,657	457,682	(160,720)	(10,729.0)
19.3,19.4	Commercial auto liability	62,097	293,427	87,329	268,195	1,184,588	1,343,151	109,632	144.6
21.	Auto physical damage	(8,251)	(3,215)	20,389	(31,855)	61	(300)	(31,494)	(2,724.4)
22.	Aircraft (all perils)				0	0	0	0	0.0
23.	Fidelity				0	0	0	0	0.0
24.	Surety				0	18,700	18,842	(142)	0.0
26.	Burglary and theft				0	0	0	0	0.0
27.	Boiler and machinery				0	0	0	0	0.0
28.	Credit				0	0	0	0	0.0
29.	International				0	0	0	0	0.0
30.	Warranty				0	0	0	0	0.0
31.	Reinsurance - nonproportional assumed property	XXX			0	245,289	249,592	(4,303)	0.0
32.	Reinsurance - nonproportional assumed liability	XXX	769,304	115,396	653,908	10,682,511	8,693,791	2,642,628	0.0
33.	Reinsurance - nonproportional assumed financial lines	XXX			0	0	0	0	0.0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.0
35.	TOTALS	3,540,153	1,336,379	1,375,838	3,500,694	49,650,055	51,342,220	1,808,529	469.3
	DETAILS OF WRITE-INS								
3401.					0	0	0	0	0.0
3402.					0	0	0	0	0.0
3403.									
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0.0
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
	Line of Business	Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire	10,680		1,602	9,078	287	8	44	9,329	(439)
2.	Allied lines	470		72	398		4	1	401	58
3.	Farmowners multiple peril				0				0	
4.	Homeowners multiple peril	406,623	31,344	65,694	372,273	779		117	372,935	77,900
5.	Commercial multiple peril	4,587,189	898,184	1,097,828	4,387,545	1,899,375	140,122	291,507	6,135,535	4,509,279
6.	Mortgage guaranty				0				0	
8.	Ocean marine				0				0	
9.	Inland marine		(5,007)	(751)	(4,256)				(4,256)	
10.	Financial guaranty				0				0	
11.1	Medical professional liability - occurrence				0				0	
11.2	Medical professional liability - claims-made				0				0	
12.	Earthquake				0				0	
13.	Group accident and health				0				(a) 0	
14.	Credit accident and health (group and individual)				0				0	
15.	Other accident and health				0				(a) 0	
16.	Workers' compensation	27,740,423	6,034,240	14,916,754	18,857,909	13,666,136	4,404,339	9,171,420	27,756,964	3,952,242
17.1	Other liability - occurrence	14,288,381	32,707	12,181,798	2,139,290	2,940,001		2,112,950	2,966,341	2,835,439
17.2	Other liability - claims-made				0				0	
17.3	Excess workers' compensation				0				0	
18.1	Products liability - occurrence				0				0	
18.2	Products liability - claims-made				0				0	
19.1,19.2	Private passenger auto liability	313,361	18,001	49,704	281,658	(1)			281,657	112,454
19.3,19.4	Commercial auto liability	1,013,093	233,203	212,136	1,034,160	142,014	18,960	10,546	1,184,588	583,832
21.	Auto physical damage		64	10	54		8	1	61	
22.	Aircraft (all perils)				0				0	
23.	Fidelity				0				0	
24.	Surety	22,000		3,300	18,700				18,700	97
26.	Burglary and theft				0				0	
27.	Boiler and machinery				0				0	
28.	Credit				0				0	
29.	International				0				0	
30.	Warranty				0				0	
31.	Reinsurance - nonproportional assumed property	XXX	994	149	845	XXX	287,581	43,137	245,289	
32.	Reinsurance - nonproportional assumed liability	XXX	3,964,304	594,646	3,369,658	XXX	8,603,357	1,290,504	10,682,511	(2,600)
33.	Reinsurance - nonproportional assumed financial lines	XXX			0	XXX			0	
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0
35.	TOTALS	48,382,220	11,208,034	29,122,942	30,467,312	18,648,591	13,454,379	12,920,227	49,650,055	12,068,262
	DETAILS OF WRITE-INS									
3401.					0				0	
3402.										
3403.										
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	(1,139,333)			(1,139,333)
1.2 Reinsurance assumed	11,482			11,482
1.3 Reinsurance ceded	(1,115,608)			(1,115,608)
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	(12,243)	0	0	(12,243)
2. Commission and brokerage:				
2.1 Direct, excluding contingent		(2)		(2)
2.2 Reinsurance assumed, excluding contingent		37,333		37,333
2.3 Reinsurance ceded, excluding contingent		5,600		5,600
2.4 Contingent-direct				0
2.5 Contingent-reinsurance assumed				0
2.6 Contingent-reinsurance ceded		(7,217)		(7,217)
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	38,948	0	38,948
3. Allowances to manager and agents				0
4. Advertising				0
5. Boards, bureaus and associations	258	5,300	386	5,944
6. Surveys and underwriting reports				0
7. Audit of assureds' records				0
8. Salary and related items:				
8.1 Salaries	42,764	875,599	63,719	982,082
8.2 Payroll taxes	3,434	70,321	5,117	78,872
9. Employee relations and welfare	28,105	575,463	41,877	645,445
10. Insurance	3,704	75,841	5,519	85,064
11. Directors' fees	(43)	(876)	(64)	(983)
12. Travel and travel items	641	13,115	954	14,710
13. Rent and rent items	8,532	174,712	12,714	195,958
14. Equipment	672	13,758	1,001	15,431
15. Cost or depreciation of EDP equipment and software	955	19,561	1,424	21,940
16. Printing and stationery	370	7,574	551	8,495
17. Postage, telephone and telegraph, exchange and express	1,612	33,023	2,403	37,038
18. Legal and auditing	9,206	188,499	68,239	265,944
19. Totals (Lines 3 to 18)	100,210	2,051,890	203,840	2,355,940
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of $		(12,161)		(12,161)
20.2 Insurance department licenses and fees		76,673		76,673
20.3 Gross guaranty association assessments		(123,361)		(123,361)
20.4 All other (excluding federal and foreign income and real estate)		267,159		267,159
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	0	208,310	0	208,310
21. Real estate expenses				0
22. Real estate taxes				0
23. Reimbursements by uninsured plans				0
24. Aggregate write-ins for miscellaneous expenses	10,846	854,459	128,003	993,308
25. Total expenses incurred	98,813	3,153,607	331,843	(a) 3,584,263
26. Less unpaid expenses - current year	12,068,262	9,002,638	42,380	21,113,280
27. Add unpaid expenses - prior year	15,740,340	8,127,102	42,380	23,909,822
28. Amounts receivable relating to uninsured plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	3,770,891	2,278,071	331,843	6,380,805
DETAILS OF WRITE-INS				
2401. Contract Services	10,723	851,955	171,643	1,034,321
2402. Outside Consultants	4	82	6	92
2403. Miscellaneous Expenses	119	2,422	(43,646)	(41,105)
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)	10,846	854,459	128,003	993,308

(a) Includes management fees of $ 1,254,142 to affiliates and $ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a) 961,904	913,381
1.1	Bonds exempt from U.S. tax	(a) 0	0
1.2	Other bonds (unaffiliated)	(a) 1,330,060	1,507,354
1.3	Bonds of affiliates	(a) 0	0
2.1	Preferred stocks (unaffiliated)	(b) 0	0
2.11	Preferred stocks of affiliates	(b) 0	0
2.2	Common stocks (unaffiliated)	0	0
2.21	Common stocks of affiliates	0	0
3.	Mortgage loans	(c) 0	0
4.	Real estate	(d) 0	0
5.	Contract loans	0	0
6.	Cash, cash equivalents and short-term investments	(e) 21,583	21,328
7.	Derivative instruments	(f) 0	0
8.	Other invested assets	273,202	273,202
9.	Aggregate write-ins for investment income	0	0
10.	Total gross investment income	2,586,749	2,715,265
11.	Investment expenses		(g) 331,843
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13.	Interest expense		(h) 0
14.	Depreciation on real estate and other invested assets		(i) 0
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		331,843
17.	Net investment income (Line 10 minus Line 16)		2,383,422
	DETAILS OF WRITE-INS		
0901.		0	0
0902.		0	0
0903.		0	0
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0
1501.			0
1502.			0
1503.			0
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		0

(a) Includes $ 34,828 accrual of discount less $ 511,779 amortization of premium and less $ 251,476 paid for accrued interest on purchases.
(b) Includes $ 0 accrual of discount less $ 0 amortization of premium and less $ 0 paid for accrued dividends on purchases.
(c) Includes $ 0 accrual of discount less $ 0 amortization of premium and less $ 0 paid for accrued interest on purchases.
(d) Includes $ 0 for company's occupancy of its own buildings; and excludes $ 0 interest on encumbrances.
(e) Includes $ 10,135 accrual of discount less $ 80 amortization of premium and less $ 280 paid for accrued interest on purchases.
(f) Includes $ 0 accrual of discount less $ 0 amortization of premium.
(g) Includes $ 0 investment expenses and $ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes $ 0 interest on surplus notes and $ 0 interest on capital notes.
(i) Includes $ 0 depreciation on real estate and $ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5. Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	0	0	0	83,267	0
1.1	Bonds exempt from U.S. tax	0	0	0	0	0
1.2	Other bonds (unaffiliated)	85,283	0	85,283	0	0
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	39,199	0	39,199	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	650	0
2.21	Common stocks of affiliates	0	0	0	(290,405)	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0	0	0
5.	Contract loans	0	0	0	0	0
6.	Cash, cash equivalents and short-term investments	(7)	0	(7)	0	0
7.	Derivative instruments	0	0	0	0	0
8.	Other invested assets	0	0	0	30,523	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	124,475	0	124,475	(175,965)	0
	DETAILS OF WRITE-INS					
0901.		0	0	0	0	0
0902.		0	0	0	0	0
0903.		0	0	0	0	0
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)	0	0	0
6. Contract loans	0	0	0
7. Derivatives	0		0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets	0		0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only)	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	0	0	0
15.3 Accrued retrospective premiums	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset	27,852,751	25,511,968	(2,340,783)
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software	0	0	0
21. Furniture and equipment, including health care delivery assets	45,331	56,362	11,031
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable	0	0	0
25. Aggregate write-ins for other than invested assets	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	27,898,082	25,568,330	(2,329,752)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
28. Total (Lines 26 and 27)	27,898,082	25,568,330	(2,329,752)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0
2501.	0	0	0
2502.	0	0	0
2503.	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

(A) Accounting Practices

The financial statements of Providence Washington 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 the financial condition and results of operations of an insurance company, for determining its solvency under 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. The Rhode Island Insurance Department has the right to permit specific practices that deviate from prescribed practices.

Reconciliations of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Rhode Island for the twelve months ending December 31, 2010 and 2009 are shown below:

		December 31, 2010	December 31, 2009
1.	Net Income (Loss), Rhode Island basis	$ (1,419,331)	$ 6,249,537
2.	State Prescribed Practices (Income):	0	0
3.	State Permitted Practices (Income):	0	0
	Net Income (Loss), NAIC SAP	$ (1,419,331)	$ 6,249,537
4.	Statutory Surplus, Rhode Island basis	$ 33,446,847	$ 34,933,718
5.	State Prescribed Practices (Surplus):	0	0
6.	State Permitted Practices (Surplus):	0	0
	Statutory Surplus, NAIC SAP	$ 33,446,847	$ 34,933,718

(B) Use of Estimates in the Preparation of the Financial Statements

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

(C) Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business and are based on reports received from ceding companies for reinsurance.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

Short-term investments are stated at amortized cost.

Bonds not backed by other loans are stated at amortized cost using the interest method. Non-investment grade bonds are stated at the lower of amortized value or fair value.

Common stocks at market except that investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 20% or more are carried on the equity basis.

Redeemable preferred stocks are stated at amortized value. Perpetual preferred stocks are stated at fair value. Non-investment grade preferred stocks are stated at the lower of amortized value or fair value.

Loan-backed bonds and structured securities are stated at either amortized cost or the lower of amortized cost or fair market value. The constant yield scientific method including anticipated prepayment assumptions is used to value all securities. Changes in current prepayment assumptions are accounted for using the prospective method.

The Company anticipates investment income as a factor in the premium deficiency calculation.

Loss and loss adjustment expense reserves are estimates that provide for the ultimate expected cost of settling unpaid losses and claims reported at each balance sheet date. Losses and claims incurred but not reported, as well as expenses required to settle losses and claims, are established on the basis of various criteria, including historical cost experience and anticipated costs of servicing reinsured and other risks. Considerable judgment is required to evaluate claims and establish estimated claim liabilities, particularly with respect to certain lines of business, such as reinsurance assumed, or certain types of claims, such as environmental and asbestos liabilities. The environmental and asbestos exposures do not lend themselves to traditional methods of loss development determination and, therefore, reserve estimates related to these exposures may be considerably less reliable than for other lines of business. The Company believes that overall reserving practices have been consistently applied, and that its aggregate net reserves have resulted in reasonable approximations of the ultimate net costs of claims incurred. These estimates are continually reviewed and adjusted as necessary; such adjustments are reflected in current operations. The Company's liability for unpaid loss and loss adjustment expense is presented net of amounts recoverable from reinsurers.

The Company is a member of an affiliated group of companies which file a consolidated federal income tax return. Under the terms of an intercompany tax allocation agreement, the Company is allocated federal income taxes by applying the current regular federal tax rate to statutory results of operations modified by book versus tax adjustments. Alternative minimum taxes are allocated ratably to companies with taxable income.

Realized capital gains and losses on the sale of investments are determined on a specific identification method and are included in the determination of net income. Unrealized capital gains and losses resulting from changes in the valuation of investments at fair value are credited or charged directly to surplus.

The Company regularly evaluates investments based on current economic conditions, credit risk experience and other circumstances of the underlying securities. A decline in a security's net market value that is not a temporary fluctuation is recognized as a realized loss, and the cost basis of that security is reduced.

Premiums earned, loss and loss adjustment expenses incurred, unearned premiums, and the liability for losses and loss adjustment expenses are reflected net of reinsurance assumed from and ceded to other companies.

NOTES TO FINANCIAL STATEMENTS

Land, building and equipment are carried at cost less accumulated depreciation and are reflected net of encumbrances. Depreciation is calculated on a straight-line basis over the allowable estimated useful lives of the assets.

The assets and liabilities of operations with foreign functional currencies are translated net into U.S. dollars at current exchange rates and the resulting adjustment recorded is reflected as a liability in the statutory financial statements. The resulting net translation adjustments for each period are included in surplus.

2. Accounting Changes and Corrections of Errors

   Not applicable

3. Business Combinations and Goodwill

   (A) Statutory Purchase Method

   Not applicable

   (B) Statutory Mergers

   Not applicable

   (C) Impairment Loss

   Not applicable

4. Discontinued Operations

   Not applicable – see Note to Financial Statements 20 (A).

5. Investments

   (A) Mortgage Loans

   Not applicable

   (B) Debt Restructuring

   Not applicable

   (C) Reverse Mortgages

   Not applicable

   (D) Loan-Backed Securities

   (1) Our asset manager uses a proprietary model for loss assumptions and widely accepted models for prepayment assumptions in valuing mortgage-backed and asset-backed securities with inputs from major third party data providers. It combines the effects of interest rates, volatility, and prepayment speeds based on Monte Carlo simulation with credit loss analysis and resulting effective analytics (spreads, duration, convexity) and cash-flows are reported to clients on a monthly basis. Model assumptions are specific to asset class and collateral types and are regularly evaluated and adjusted where appropriate.

   (2) Table of investments where an OTTI was recognized.

	1	2	3
	Amortized Cost Basis Before Other-than-Temporary Impairment	Other-than-Temporary Impairment Recognized in Loss	Fair Value C1 – C2
Aggregate Intent to Sell	-	-	-
Aggregate Intent & Ability	NONE	NONE	NONE

   (3) Table of investments where a OTTI was recognized to the discounted cash flows (credit loss only amount) because the Company does expect to hold the security to recovery.

1	2	3	4	5	6
CUSIP	Book/Adj Carrying Value Amortized cost before current period OTTI	Projected Cash flows	Recognized other-than-temporary impairment	Amortized cost after other-than-temporary impairment	Fair Value
76110W-UK-0	698,485	670,546	27,939	670,546	519,273

   (4) Table of investments held showing Unrealized Losses – Greater and Less than 1 year.

Less than 1 year		More than 1 year	
Aggregate Unrealized Losses	Fair Value	Aggregate Unrealized Losses	Fair Value
$ 12,393	$ 497,919	$ 53,141	$ 854,195

   (5) There are a number of factors that are considered in determining if there is not an other-than-temporary-impairment on an investment, including but not limited to, debt burden, credit ratings sector, liquidity, financial flexibility, company management, expected earnings and cash flow stream, and economic prospects associated with the investment.

   (E) Repurchase Agreements

   For repurchase agreements, Company policies require a minimum of 102% of the fair value of securities purchased under repurchase agreements to be maintained as collateral. There were no open repurchase agreements as of December 31, 2010.

NOTES TO FINANCIAL STATEMENTS

(F) Real Estate

Not applicable

(G) Low-Income Housing Tax Credits

Not applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

(A) Detail for Those Greater than 10% of Admitted Assets

Not applicable

(B) Writedowns for Impairments

Not applicable

7. Investment Income

(A) Accrued Investment Income

The Company nonadmits investment income due and accrued if amounts are over 90 days past due.

(B) Amounts Nonadmitted

None

8. Derivative Instruments

Not applicable

9. Income Taxes

(A) The components of the net deferred tax asset/(liability) at December 31 are as follows:

	December 31, 2010	December 31, 2009
Total of gross deferred tax assets	$ 28,782,084	$ 26,430,923
Total of deferred tax liabilities	929,333	918,955
Net deferred tax asset	27,852,751	25,511,968
Deferred tax asset nonadmitted	(27,852,751)	(25,511,968)
Net admitted deferred tax asset	$ 0	$ 0
(Increase) decrease in nonadmitted asset	$ (2,340,784)	

(B) Deferred tax liabilities are not recognized for the following amounts:

Not applicable

(C) Current income taxes incurred consist of the following major components:

	December 31, 2010	December 31, 2009
Federal	$ (746,644)	$ 119,996
Foreign	-	-
	(746,644)	119,996
Federal income tax on net capital gains	0	0
Utilization of capital loss carry-forwards	0	0
Federal and foreign income taxes incurred	$ (746,644)	$ 119,996

The main components of the 2010 deferred tax amounts are as follows:

	December 31, 2010	December 31, 2009
Deferred tax assets:		
Non-admitted assets	$ 13,624	$ 25,582
Unearned premium reserves	0	33
Loss & LAE reserves	2,651,081	2,880,659
Deferred Compensation	2,653,745	2,386,234
Bonds	78,580	380,056
Depreciation	143,427	156,576
Deferred Gain	0	0
Charitable contribution carryforwards	0	0
Net operating loss carryforwards	22,443,585	19,694,193
AMT credit carryforwards	570,316	679,641
Allowance for accounts receivable	0	0
Accrued reinsurance expenses	0	0
Equities at market	(3,473)	(3,252)
Other	231,200	231,200
Total deferred tax assets	$ 28,782,084	$ 26,430,922
Nonadmitted deferred tax assets	(27,852,751)	(25,511,968)
Admitted deferred tax assets	$ 929,333	$ 918,954

NOTES TO FINANCIAL STATEMENTS

Deferred tax liabilities:

Other invested assets	$ 929,333	$ 918,954
Equities at market	0	0
Dividends accrued	0	0
Total deferred tax liabilities	$ 929,333	$ 918,954
Net admitted deferred tax asset	$ 0	$ 0

The changes in main components of DTA's and DTL's are as follows:

	December 31 2010	December 31 2009	Change
Total deferred tax assets	$ 28,782,084	$ 26,430,922	$ 2,351,162
Total deferred tax liabilities	929,333	918,954	10,378
Net deferred tax asset/(liability)	$ 27,852,751	$ 25,511,968	$ 2,340,784
Tax effect of change in unrealized gains (losses)			38,909
Tax effect on repayment of bonds			384,355
Tax effect of change in minimum pension liability			(210,259)
Change in net deferred income tax			$ 2,553,789

(D) Among the more significant book to tax adjustments were the following:

	December 31, 2010	Effective tax rate
Provision computed at statutory rate	$ (736,431)	34.0%
Tax effect of change in nonadmitted assets	11,958	(0.6)%
Alternative minimum tax	0	-
Unrealized gains/losses	38,909	(1.8)%
Foreign tax provision	0	0.0 %
Net operating loss true-up	(3,418,529)	157.8%
Minimum Pension Liability	210,259	(9.7)%
Other	593,401	(27.4) %
	$ 3,300,433	152.4%
Federal and foreign income tax incurred	(746,644)	34.5 %
Change in net deferred income taxes	(2,553,789)	117.9%
Total statutory income taxes	$ (3,300,433)	152.4 %

(E) Operating loss and tax credit carryforwards

Year	NOL Carryforward	Expires Tax Year End
2006	$ 9,360,000	12/31/26
2005	11,381,000	12/31/25
2004	34,161,000	12/31/24
2003	13,072,000	12/31/23

There are currently no federal income taxes incurred that are available for recoupment in the event of future net losses.

(F) Consolidated Federal Income Tax Return
The Company's federal income tax return is consolidated with and includes the following entities:

PW Acquisition Company
Providence Washington Holdings, Inc.
PW Holdings, Inc.
Providence Washington Insurance Company
York Insurance Company
American Concept Insurance Company
Enstar Holdings (US) Inc.
Enstar (US) Inc.
Cranmore (US) Inc.
Enstar Investments Inc.
Sun Gulf Holdings, Inc.
Capital Assurance Company, Inc.
Capital Assurance Services, Inc.
Constellation Reinsurance Company
PWAC Holdings, Inc.
CLIC Holdings, Inc.
Enstar New York, Inc.
Clarendon Holdings, Inc.

The method of allocation among the companies in the consolidated group is subject to a written tax sharing agreement. A member's portion of the tax liability is determined by:

(1) multiplying the tax liability by a fraction, the numerator of which is the separate return liability of the member and the denominator of which is the separate return liabilities of all the members; however, an insurance company cannot be charged more tax than its separate return liability. The member will be paid for any losses or credits generated by it, to the extent actually used in the consolidated return;

(2) allocation of an additional amount to the member equal to the excess, if any, of the separate return tax liability of the member over the tax liability of the member as computed in (1).

(3) payment for the additional amount determined in (2) by the member to the other members of the group whose tax attributes (losses, credits, etc.) were utilized.

Intercompany tax balances are to be settled within 30 days.

10. Information Concerning Parent, Subsidiaries and Affiliates

(A) All outstanding shares of the Company are owned or controlled by PW Holdings, Inc., an insurance holding company domiciled in the State of Delaware with the ultimate controlling party being PWAC Holdings, Inc. as illustrated on page 94.

(B) The Company did not pay any stockholder dividends in 2010.

NOTES TO FINANCIAL STATEMENTS

(C) There were no changes to the terms of intercompany arrangements.

(D) As of December 31, 2010, the Company reported $683,156 due from/(due to) affiliates as follows:

American Concept Insurance Company $75,921
York Insurance Company $ 304,413
Providence Washington Insurance Solutions, LLC $ 299,957
PW Holdings, Inc. $ 2,865
PW Acquisition Company $ -0-

All intercompany balances are required to be settled within 45 days.

The Company has no guarantees or undertakings for the benefit of affiliates, which result in material contingent exposure of the Company's or any affiliated insurer's assets or liabilities except as noted below:

1. The Company has guaranteed to maintain the surplus of its subsidiary, American Concept Insurance Company at a minimum amount of $2.0 million.
2. The Company has guaranteed to maintain the combined capital and surplus of its subsidiary, York Insurance Company, at a minimum amount of $4.0 million.

(F) The Company entered into a management services agreement with Providence Washington Insurance Solutions, LLC, on September 1, 2006. In addition, the Company is a member of the tax sharing agreement described in Note 9.

(G) All outstanding shares of the Company are owned or controlled by PW Holdings, Inc.

(H) The Company has no amount deducted for investment in an upstream company.

(I) The Company has Investments in Affiliates greater than 10% of Admitted Assets.

The Company owns 100% of York Insurance Company and American Concept Insurance Company. The carrying value of these investments equals the respective policyholders' surplus as reported in the 2010 annual statements. The Company reports these investments on Page 2, row 2.2, Common Stocks at a value of $14,579,414. The wholly-owned subsidiary companies are not presented on a consolidated basis in the Company's annual statement. They are, however, reported in the group's Combined Annual Statement.

(J) The Company has no investments in impaired SCA entities

(K) The Company has no investment in a foreign insurance subsidiary

(L) The Company has no investment in a downstream noninsurance holding company.

11. Debt

(A) Capital Notes

None

(B) All Other Debts

None

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

(A) Defined Benefit Plan and Postretirement Benefits

The Company, on behalf of employees of itself and employees of all subsidiaries, sponsors a defined benefit pension plan which covers substantially all employees hired before April 1, 2003, and provides pension and death benefits. The funding policy is to accrue and pay an amount sufficient to fund the minimum amount that can be deducted for federal income tax purposes which considers the annual current service cost on an annual basis, and an amount needed to amortize the plan's unfunded accrued liability over a seven year period. In addition, the Company sponsors and has accrued for a noncontributory executive retirement benefit for a small number of former employees.

Effective April 1, 2004, the Company announced a freezing of its defined benefit pension plan.

A summary of total assets, total obligations and assumptions of the Pension Benefit Plan follows, at December 31, 2010 and 2009, respectively. The Company shares in the 100% Plan costs below, based on its 85% share of pooled expense.

The Company's Postretirement Benefit Plan was terminated on December 31, 2003. There are no assets or obligations to report.

		Pension Benefits 2010	Pension Benefits 2009
(1)	Change in benefit obligation		
a.	Benefit obligation at beginning of year	$ 24,276,469	$ 23,624,264
b.	Service cost	-	-
c.	Interest cost	1,367,811	1,385,867
d.	Contribution by plan participants	-	-
e.	Actuarial (gain) loss	1,346,920	645,985
f.	Foreign currency exchange rate changes	-	-
g.	Benefits paid	(1,547,281)	(1,379,647)
h.	Plan amendments	-	-
i.	Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-
j.	Benefit obligation at end of year	$ 25,443,919	$ 24,276,469

NOTES TO FINANCIAL STATEMENTS

(2) Change in plan assets

		2010	2009
a.	Fair value of plan assets at beginning of year	$ 16,092,529	$ 15,170,198
b.	Actual return on plan assets	1,080,379	1,800,664
c,	Foreign currency exchange rate changes	-	-
d.	Employer contribution	734,346	583,942
e.	Plan participants' contributions	-	-
f.	Benefits, settlements, expenses paid	(1,645,844)	(1,462,275)
g.	Business combinations, divestitures and settlements	-	-
h.	Fair value of plan assets at end of year	$ 16,261,410	$ 16,092,529

(3)	Funded status	$ (9,182,509)	$ (8,183,940)
a.	Unamortized prior service cost	-	-
b.	Unrecognized net (gain) or loss	8,447,795	7,734,930
c.	Remaining net obligation or net (asset) at initial date of application	(146,747)	(161,421)
d.	Prepaid assets or (accrued) liabilities	(9,182,509)	(8,183,940)
e.	Intangible asset	$ -	$ -

(4)	Accumulated benefit obligation for vested employees and partially vested employees	$ 25,443,919	$ 24,276,469

(5) Benefit obligation for non-vested employees

a.	Projected pension obligation	$ -	$ -
b.	Accumulated benefit obligation	$ -	$ -

(6) Components of net periodic benefit cost

a.	Service cost	$ -	$ -
	Interest cost	1,367,811	1,389,766
	Expected return on plan assets	807,443	1,049,113
	Amortization of unrecognized transition obligation or transition asset	(14,674)	(14,674)
	Amount of recognized (gains) and losses	407,407	552,163
	Amount of prior service cost recognized	-	-
g.	Amount of gain or loss recognized due to a settlement or curtailment	52,275	-
h.	Total net periodic benefit cost	$ 1,005,376	$ 878,142

(7) The amount included in unassigned funds (surplus) for the period arising from an increase in the additional pension liability was a charge of ($408,149), net of deferred income tax.

(8) Weighted-average assumptions as of December 31, used to determine net periodic benefit costs:

		2010	2009
a.	Discount rate	5.75%	6.0%
b.	Expected long-term rate of return on plan assets	5.75%	7.75%
c.	Rate of compensation increase	N/A	N/A

Weighted-average assumptions as of December 31, used to determine projected benefit obligations:

d.	Discount rate	5.25%	5.75%
e.	Rate of compensation increase	N/A	N/A

(9) Not applicable to Pension disclosure

(10) Not applicable to Pension disclosure

(11) Not applicable to Pension disclosure

(12) Pension Plan assets are invested in a broad based asset allocation fund, comprised primarily of high grade domestic fixed income securities and domestic equities. The Company utilizes a target allocation strategy, designed to create an asset mix that appreciates in value, as well as manages expenses and contributions. The target allocations and actual plan asset allocations for 2010 and 2009 are as follows:

	2010	2009	Target Levels
Equity securities			
Domestic	27%	24%	20% -60 %
International	9	3	0 -20
Total equity securities	36	27	
Fixed maturities	20	14	5 - 30
Money market funds	44	59	15 - 60
Total fixed maturities and money market funds	64	73	
Total assets	100%	100%	

NOTES TO FINANCIAL STATEMENTS

(13) The Company estimates that benefit payments over the next 5 years will be as follows (in thousands):

	Qualified Pension Plan	Non-Qualified Pension Plan
2011	1,256,993	142,978
2012	1,343,973	142,978
2013	1,362,734	142,978
2014	1,447,057	142,978
2015	1,466,749	142,978
Five years thereafter	8,308,228	714,890

The benefit payments are based on the same assumptions used to measure the Company's benefit obligations as of December 31, 2010.

(14) Best estimate of contributions expected to be paid during next fiscal year is $1,489,261

(B) Defined Contribution Plan

Not applicable

(C) Multiemployer Plans:

Not applicable

(D) Consolidated/Holding Company Plans

See Note 12A

(E) Postemployment Benefits and Compensated Absences

The obligation for postemployment benefits or compensated absences has been accrued in accordance with SSAP No. 11. Postemployment Benefits and Compensated Absences.

(F) Impact of Medicare Modernization Act on Postretirement Benefits

Not Applicable

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

(A) The Company has 530,000 shares of $10.00 par value common stock authorized; 502,120 shares issued and outstanding.

(B) The Company has no preferred stock outstanding.

(C) The Company is restricted from paying stockholder dividends of any kind for a period of five years, commencing July 20, 2010, without the prior written approval of the Director of Insurance.

(D) Dividends to common stockholders are paid as declared by the Board of Directors of the Company. The Company's dividends are subject to the regulation and prior approval of the State of Rhode Island. The current regulation allows an annual dividend without prior approval that is limited to the lesser of net income, exclusive of realized gains, for the latest twelve month period ending December 31, next preceding, or 10% of policyholders surplus as of the 31st day of December next preceding. Stockholder dividends paid for the years ended December 31, 2010 and 2009, were $ - 0 - and $38,831,052 respectively. See table below:

Date	Amount	Type
February 2009	241,956	Extraordinary
May 2009	209,347	Extraordinary
August 2009	38,379,749	Extraordinary

(E) No restrictions have been placed on the Company's unassigned surplus.

(F) The Company holds no stock for special purposes.

(G) The Company does not have any special surplus funds.

(H) The Company has no surplus notes or similar obligations.

(I) The portion of unassigned funds (surplus) represented by cumulative unrealized capital gains and (losses) is $4,622,705, before reducing by $1,019,325 for deferred income taxes.

14. Contingencies

(A) Contingent Commitments

As described in Note 10(E), the Company has made guarantees on behalf of affiliates.

As described in Note 26, the Company has purchased annuities from life insurers that are directly payable to claimants but for which the Company may be contingently liable. The annuities have been used to reduced unpaid losses by approximately $11,258,000 and $12,140,000 as of December 31, 2010 and 2009, respectively.

(B) Guaranty Fund and Other Assessments

The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments should be accrued at the time of insolvencies. Other assessments should be accrued either at the time of assessments or in the case of premium based assessments, at the time the premiums were written, or, in the case of loss based assessments, at the time the losses are incurred.

The Company has accrued a liability for guaranty fund and other assessments equal to its pooled share (85%) of $800,000. This represents management's best estimate based on information received from the states in which the Company writes business and may change due to many factors including the Company's share of the ultimate cost of current insolvencies.

(C) Gain Contingencies

Not applicable

NOTES TO FINANCIAL STATEMENTS

(D) Claims related extra contractual obligations and bad faith losses stemming from lawsuits

The Company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

	Direct
Claims related ECO and bad faith losses paid during the reporting period	$ -0-

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period.

(a) 0-25 Claims	(b) 26-50 Claims	(c) 51-100 Claims	(d) 101-500 Claims	(e) More than 500 Claims
X				

Indicate whether claim count information is disclosed per claim or per claimant.

(f) Per Claim [X] (g) Per Claimant [ ]

(E) All Other Contingencies

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

15. Leases

(A) Lessee Leasing Arrangements

(1) The Company leases office facilities and equipment under various noncancelable operating leases that expire through December 2012. Lease expense for 2010 and 2009 was approximately $335,000 and $338,000 respectively. Future minimum rental payments are as follows:

Year	Amount
2011	277,300
2012	231,100
Total	$ 508,400

The Company has a lease commitment for office space through 2012, with a renewal option to extend the lease through the year 2017.

(2) The Company is not involved in any sale-leaseback transactions.

(B) Lessor Leasing Arrangements

(1) Operating Leases

Not applicable

(2) Leveraged Leases

Not applicable

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

(A) Financial Instruments with Off-Balance Sheet Risk

Not applicable

(B) Financial Instruments with Concentrations of Credit Risk

Not applicable

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

(A) Transfers of Receivables Reported as Sales

Not applicable

(B) Transfers and Servicing of Financial Assets

Not applicable

(C) Wash Sales

Not applicable

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

(A) Administrative Services Only (ASO) Plans

Not applicable

(B) Administrative Services Contract (ASC) Plans

Not applicable

(C) Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

Not applicable

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

Not applicable

NOTES TO FINANCIAL STATEMENTS

20. Fair Value Measurement

(A) Assets Measured at Fair Value - Recurring Basis

		Level 1	Level 2	Level 3	Total
(1)	Bonds	-	-	-	-
	Redeemable Preferred Stock	-	-	-	-
	Non-Redeemable Preferred Stock	-	-	-	-
	Common Stock	-	-	10,216	10,216
	Total Assets at Fair Value	-	-	10,216	10,216

(2) Asset Measured at Fair Value Using Unobservable Inputs (Level 3)

	Beg Bal	RCG/L	Unreal	Purch/ Disposal	Trsf In/Out	End Bal	Cy Chg in Unreal
Bonds	-	-	-	-	-	-	-
Redeemable Preferred Stock	-	-	-	-	-	-	-
Non-Redeemable Preferred Stock	-	-	-	-	-	-	-
Common Stock	9,566	-	9,566	-	-	10,216	650

(3) The following are the levels of the hierarchy and a brief description of the type of valuation inputs that are used to establish each level:

Pricing Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets that pricing sources have the ability to access. Since the valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant amount or degree of judgment.

Pricing Level 2 - Valuations based upon quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets; or valuations based on models where the significant inputs are observable (e.g. interest rates, yield curves, prepayment speeds, default rates, loss severities) or can be corroborated by observable market data.

Pricing Level 3 - Valuations that are derived from techniques in which one or more of the significant inputs are unobservable, including broker quotes which are non binding.

(B) Assets Measured at Fair Value - Non Recurring Basis

Not applicable

21. Other Items

(A) Extraordinary Items

On May 27, 2004, the Board of Directors with the concurrence of shareholders voted to place the Company into self-administered managed runoff status. These actions were taken in response to declines in financial strength ratings and the inability to raise capital. The Company prepared a runoff plan which called for the cessation of writing new and renewal business at the earliest possible date. The runoff plan also calls for the Company to maintain sufficient staffing to perform all required functions related to policyholder services, billing and collection, claims administration and financial reporting. The Company is providing periodic updates to its domiciliary regulators.

(B) Troubled Debt Restructuring for Debtors

Not applicable

(C) Other Disclosures

Assets in the amount of $6,326,096 and $6,272,352 at December 31, 2010 and 2009, respectively, were on deposit with government authorities or trustees as required by law. Assets valued at $3,286,004 and $3,899,575 at December 31, 2010 and 2009, respectively were pledged as collateral. The pledged assets reside in a trust fund, the beneficiary of which was the purchaser of one of the Company's former wholly-owned subsidiaries.

(D) Uncollectible Premiums Receivable

At December 31, 2010 and 2009, the Company had admitted assets of $1,045,831 and $1,056,243, respectively in premiums receivable due from policyholders and agents. The Company routinely assesses the collectibility of these receivables. Based upon Company experience, any uncollectible premiums receivable as of December 31, 2010 are not expected to exceed the nonadmitted amounts totaling $-0- and, therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.

(E) Business Interruption Insurance Recoveries

Not applicable

(F) State Transferable Tax Credits

Not applicable

(G) Subprime Mortgage Exposure

The Company does not engage in subprime residential mortgage lending. The Company's exposure to subprime lending is limited to investments within the fixed maturity investment portfolio which contains securities collateralized by mortgages that have characteristics of subprime lending such as adjustable rate mortgages and alternative documentation mortgages. These investments are in the form of asset-backed securities (ABS) collateralized by subprime mortgages and collateralized mortgage obligations backed by alternative documentation mortgages. The total carrying value of these investments is approximately $1,702,000, comprising approximately 2.1% of the Company's total fixed maturity portfolio. The credit rating for these securities ranged from CC - AAA as of December 31, 2010 and reflects the Company practice of minimizing exposure to low quality (subprime type) credit risk.

NOTES TO FINANCIAL STATEMENTS

22. Events Subsequent

The Company has evaluated subsequent events through January 31, 2011. The statutory reporting statements (annual statements) were issued on or about February 25, 2011.

23. Reinsurance

(A) Unsecured Reinsurance Recoverables

The Company has an unsecured aggregate recoverable for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium with individual reinsurers, authorized and unauthorized, that exceeds 3% of the policyholders' surplus.

GROUP	NAIC	FEIN	COMPANY	AMOUNT
008	19232	36-0719665	Allstate Insurance Company	$ 9,473,000
181	25364	13-1675535	Swiss Reinsurance America	1,366,000
361	19720	52-2048110	American Alternative Insurance	51,000
361	10227	13-4924125	Munich Reinsurance America	8,546,000
			Total Group 0361	8,597,000
1120	26921	22-2005057	Everest Reinsurance Co.	1,710,000
	80659	38-0397420	Canada Life Assurance Co. (US Branch)	7,202,000
	00000	AA-9991401	Alaska Workers Compensation	$ 1,392,000

(B) Reinsurance Recoverable in Dispute for the Year Ended December 31, 2010

The Company does not have reinsurance recoverable for paid losses and loss adjustment expenses that exceed 5% of policyholders' surplus for an individual reinsurer or 10% of policyholders' surplus in aggregate.

(C) Reinsurance Assumed and Ceded

(1) The following table summarizes ceded and assumed unearned premiums and the related equity at December 31, 2010.

	[- - - - - - Assumed - - - - - - -]		[- - - - - - - - Ceded - - - - - - -]		[- - -Assumed Less Ceded- - -]	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
Affiliates	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
All other	0	0	0	0	0	0
Total	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0

Direct Unearned Premium Reserve $0

(2) The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in the annual statement as a result of existing contractual arrangements are accrued as follows:

REINSURANCE

Description	Direct	Assumed	Ceded	Net
Contingent commission	$ 0	$ 0	$ (7,217)	$ 7,217
Sliding scale adjustments	0	0	16,985	(16,985)
Other profit commissions	0	0	0	0
Total	$ 0	$ 0	$ 9,768	$ (9,768)

(3) None

(D) The Company has written off in the current year reinsurance balances due (from the companies listed below) in the amount of $129,037 which is reflected as losses incurred:

Company	
Constellation Reinsurance Company	$ 5,273
Excess and Casualty Reinsurance Association	54,232
Fremont Indemnity Company	16,422
Heartland Group	136
Home Insurance Company	(113)
Insurance Corp of NY	27,528
Northeastern of Hartford	25,559
Total	$ 129,037

(E) The Company has not commuted any ceded reinsurance agreements during the year.

(F) Retroactive Reinsurance

None

(G) Reinsurance Accounted for as a Deposit

Not applicable

24. Retrospectively Rated Contracts

None

NOTES TO FINANCIAL STATEMENTS

25. Change in Incurred Losses and Loss Adjustment Expenses

During 2010, the Company has recorded its pool percentage (85%) share of a $2.7 million development of prior year reserves. The Company entered self-administered runoff in May 2004. Due to the uncertainties associated with runoff, the Company previously adopted a prudent and conservative practice of recording loss and loss adjustment expense reserves over and above the Appointed Actuary's central estimate. During the ensuing years subsequent to runoff, the loss and loss adjustment expense reserves have behaved in a generally predictable manner and developed favorably. The Company began recording its loss and loss adjustment expense reserves to the Appointed Actuary's central estimate commencing with year-end 2008. That practice remains in effect for 2010. The lines of business experiencing the largest amount of development are Assumed Reinsurance ($3.1 million), Other Liability ($1.4 million) and Workers' Compensation ($0.5 million). Partially offsetting the lines of business experiencing development was the Commercial Multiple Peril line with savings of $2.0 million.

The Company does not have a material amount of retrospectively rated policies and accordingly no adjustments were made to premiums.

26. Intercompany Pooling Arrangements

A new pooling arrangement was established effective January 1, 1995. The lead company is Providence Washington Insurance Company and participation percentages are:

Company	NAIC Co. Code	Percentage
Providence Washington Insurance Company	24295	85%
York Insurance Company	24325	12%
American Concept Insurance Company	31909	3%

All lines of business and all types of business are subject to the pooling agreement. Prior to calculating the pooled results by company, all cessions to non-affiliated reinsurers of business subject to pooling are recorded on the books of the lead company. All participants in the pooling agreement are parties to the reinsurance agreements with non-affiliated reinsurers. The pooled parties have assigned and transferred all non-affiliated reinsurance rights and obligations to the pool's lead company per the terms of the pooling agreement. The provision for reinsurance (Schedule F – Part 7) is recorded in full on the books of the lead company in conformance with all non-affiliated ceded reinsurance being recorded on the lead company's books. The write-off of uncollectible reinsurance is shared by pool members in accordance with pooling participation percentages.

27. Structured Settlements

(A) Reserves Released due to Purchase of Annuities

The Company has purchased annuities from life insurers under which the claimants are payees (see Note 14A). These annuities have been used to reduce unpaid losses by $11,258,000 as of December 31, 2010. The Company has a contingent liability of $11,258,000 should the issuers of these annuities fail to perform under the terms of the annuities.

(B) Annuity Insurers with Balances due Greater than 1% of Policyholders' Surplus

NAIC #	Company & Location	Licensed in Company's State of Domicile	Present Value of Annuity
70874	Allstate Life Insurance Co. of NY Hauppauge, New York	No	$ 345,000
60488	American General Life Insurance Co. Houston, Texas	Yes	$ 1,755,000
70025	Genworth Life Insurance Company Richmond, Virginia	Yes	$ 3,767,000
65978	Metropolitan Life Insurance Company New York, New York	Yes	$ 1,803,000
67466	Pacific Life Insurance Company Newport Beach, California	Yes	$ 549,000
68608	Symetra Life Insurance Company Seattle, Washington	Yes	$ 2,762,000

28. Health Care Receivables

Not Applicable

29. Participating Accident and Health Policies

Not Applicable

30. Premium Deficiency Reserves

Not Applicable

31. High Deductibles

As of December 31, 2010, the amount of reserve credit that has been recorded for high deductibles on unpaid claims was $0.

As of December 31, 2010, the amount billed and recoverable for high deductibles on paid claims related to a business segment discontinued over ten years ago is immaterial. Over the last ten years, the Company has not issued policies with high deductible provisions.

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

The Company's liabilities for unpaid workers' compensation claims are discounted on a consolidated basis with affiliated companies and then pooled among the affiliated companies. The discounts shown below are the Company's pooled share. All discounting is done using a rate of 3.5%, as required by the State of Rhode Island.

Reserves for the indemnity portion of workers compensation claims have been discounted on a tabular basis using NCCI tables at 3.5%. In total, the December 31, 2010 and December 31, 2009 liabilities include $2,578,900 and $2,046,800 of indemnity discount, respectively. The amount of discount for Case versus IBNR indemnity reserves at December 31, 2010 is as follows:

NOTES TO FINANCIAL STATEMENTS

SCHEDULE P LINES OF BUSINESS	TABULAR DISCOUNT INCLUDED IN SCHEDULE P, PART 1 CASE	IBNR
Workers' Compensation	$ - 0 -	$ 2,578,900

The Company does not discount any medical unpaid losses, nor does the Company discount on a non-tabular basis.

33. Asbestos/Environmental Reserves

The Company has exposure to environmental and asbestos claims. All such exposures from all affiliates are pooled together and then allocated back to the separate companies based on their participation percentages in the pooling arrangement. The Company's environmental and asbestos exposure arises from the Group's past sale of General Liability, Commercial Multi-Peril, and Commercial Automobile insurance as well as from past participation in Assumed Reinsurance Pools. Regarding the direct exposure, the Group estimates the full impact of the environmental and asbestos exposure by establishing full case-basis reserves on all known claims and by computing incurred but not reported losses based on historical experience.

As respects the environmental and asbestos liability arising from assumed reinsurance, the Group was a participant in a pool of approximately fifty assumed reinsurance treaties which were discontinued in 1987. One of these treaties involves a small share of the ECRA pool. The participation in each treaty, although small (ranging from one-half of one percent to four percent), varied substantially by year with not all treaties being in-force for all years.

During 2010, it was determined that a portion of asbestos and environmental data had been misclassified between the two business classes. This has resulted in a restatement of the five most recent calendar years. The Company's pooled share of environmental and asbestos losses for the five most recent calendar years, shown separately on a direct, assumed and net basis, are as follows:

SITES ENVIRONMENTAL

DIRECT

	2006	2007	2008	2009	2010
Beginning O/S	2,410,021	1,527,897	12,392,650	12,327,633	12,526,097
Incurred	(88,727)	10,923,570	533,718	479,112	51,175
Paid	793,397	58,817	598,735	280,648	159,622
Ending O/S	1,527,897	12,392,650	12,327,633	12,526,097	12,417,650
			12/10 Direct IBNR		1,365,860
			12/10 Direct ALAE		2,048,790
			12/10 Total Direct Bulk		3,414,650

ASBESTOS

DIRECT

	2006	2007	2008	2009	2010
Beginning O/S	2,714,517	2,329,622	3,390,062	4,962,174	4,728,017
Incurred	(6,212)	1,292,058	1,747,026	108,102	413,191
Paid	378,683	231,617	174,914	342,259	466,208
Ending O/S	2,329,622	3,390,062	4,962,174	4,728,017	4,675,000
			12/10 Direct IBNR		1,035,925
			12/10 Direct ALAE		1,553,887
			12/10 Total Direct Bulk		2,589,812

SITES ENVIRONMENTAL

ASSUMED

	2006	2007	2008	2009	2010
Beginning O/S	1,263,119	1,173,800	1,367,715	1,452,350	1,565,497
Incurred	270,333	267,412	207,377	210,912	556,060
Paid	359,653	73,497	122,742	97,765	515,056
Ending O/S	1,173,800	1,367,715	1,452,350	1,565,479	1,606,500
			12/10 Assumed IBNR		1,143,656
			12/10 Assumed ALAE		-
			12/10 Total Assumed Bulk		1,143,656

ASBESTOS

ASSUMED

	2006	2007	2008	2009	2010
Beginning O/S	7,157,676	6,651,532	7,750,385	8,229,984	8,871,147
Incurred	1,531,889	1,515,335	1,175,135	1,195,167	3,151,006
Paid	2,038,033	416,483	695,536	554,004	2,918,653
Ending O/S	6,651,532	7,750,385	8,229,984	8,871,147	9,103,500
			12/10 Assumed IBNR		6,480,717
			12/10 Assumed ALAE		-
			12/10Total Assumed Bulk		6,480,717

NOTES TO FINANCIAL STATEMENTS

SITES ENVIRONMENTAL

NET

	2006	2007	2008	2009	2010
Beginning O/S	2,715,235	2,496,851	7,099,179	3,869,034	4,163,410
Incurred	358,645	4,731,114	(2,725,577)	239,349	571,435
Paid	577,028	128,786	504,568	(55,027)	624,042
Ending O/S	2,496,851	7,099,179	3,869,034	4,163,410	4,110,804
			12/10 Net IBNR		1,702,077
			12/10 Net ALAE		1,061,921
			12/10 Total Net Bulk		2,763,998

ASBESTOS

NET

	2006	2007	2008	2009	2010
Beginning O/S	7,979,113	7,424,865	8,354,792	9,149,548	10,007,385
Incurred	1,502,810	1,397,152	1,480,677	1,434,382	3,181,094
Paid	2,057,059	467,225	685,921	576,546	3,064,979
Ending O/S	7,424,865	8,354,792	9,149,548	10,007,385	10,123,500
			12/10 Net IBNR		6,604,865
			12/10 Net ALAE		439,494
			12/10 Total Net Bulk		7,044,359

34. Subscriber Savings Account

Not applicable

35. Multiple Peril Crop Insurance

Not applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [ ] NA [ ]

1.3 State Regulating? Rhode Island

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]

2.2 If yes, date of change:

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2006

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2006

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 05/06/2008

3.4 By what department or departments? Rhode Island

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

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [ ] NA [ ]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes [ ] No [X]

4.12 renewals? Yes [ ] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes [ ] No [X]

4.22 renewals? Yes [ ] No [X]

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

5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

6.2 If yes, give full information

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [X] No [ ]

7.2 If yes,

7.21 State the percentage of foreign control 100.0

7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney - in - fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney - in - fact).

1 Nationality	2 Type of Entity
Bermuda	Corporation

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? .... Yes [ ] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? .... Yes [ ] No [X]

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Deloitte & Touche LLP, 333 Ludlow Street, Stamford, CT 06902-6982

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? .... Yes [ ] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions to the audit committee requirements as allowed in Section 14H of the Annual Financial Reporting Model Regulation, or substantially similar state law or regulation? .... Yes [ ] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? .... Yes [ ] No [X]

10.6 If the response to 10.5 is yes, provide information related to this exemption:

10.7 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? .... Yes [ ] No [X] NA [ ]

10.8 If the response to 10.7 is no or n/a, please explain

The Board of Directors serves as and performs the duties of an Audit Committee.

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification? ....

John A. Dawson, Consulting Actuary, Ernst & Young LLP, 200 Clarendon Street, Boston, MA 02116-5072

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? .... Yes [ ] No [X]

12.11 Name of real estate holding company ....

12.12 Number of parcels involved ....

12.13 Total book/adjusted carrying value .... $........

12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? .... Yes [ ] No [ ]

13.3 Have there been any changes made to any of the trust indentures during the year? .... Yes [ ] No [ ]

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? .... Yes [ ] No [ ] NA [ ]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? .... Yes [X] No [ ]

a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

c. Compliance with applicable governmental laws, rules and regulations;

d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

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

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

On July 20, 2010. the Company became part of the Enstar Group Limited Insurance Holding Company system which maintains its own, systemwide, Code of Conduct. That Code of Conduct by implication superseded any code of ethics in force prior to July 20, 2010.

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

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

15. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? .... Yes [X] No [ ]

16. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? .... Yes [X] No [ ]

17. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? .... Yes [X] No [ ]

GENERAL INTERROGATORIES

FINANCIAL

18. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

19.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 19.11 To directors or other officers $
- 19.12 To stockholders not officers $
- 19.13 Trustees, supreme or grand (Fraternal only) $

19.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 19.21 To directors or other officers $
- 19.22 To stockholders not officers $
- 19.23 Trustees, supreme or grand (Fraternal only) $

20.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [X]

20.2 If yes, state the amount thereof at December 31 of the current year:
- 20.21 Rented from others $
- 20.22 Borrowed from others $
- 20.23 Leased from others $
- 20.24 Other $

21.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [ ] No [X]

21.2 If answer is yes:
- 21.21 Amount paid as losses or risk adjustment $
- 21.22 Amount paid as expenses $
- 21.23 Other amounts paid $

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

22.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 683,156

INVESTMENT

23.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 23.3) Yes [X] No [ ]

23.2 If no, give full and complete information, relating thereto

23.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)

23.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [ ] No [ ] NA [X]

23.5 If answer to 23.4 is yes, report amount of collateral for conforming programs. $

23.6 If answer to 23.4 is no, report amount of collateral for other programs. $

23.7 Does the company's security lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [ ] No [ ] NA [X]

23.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] NA [X]

23.9 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [ ] No [ ] NA [X]

24.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 20.1 and 23.3) Yes [X] No [ ]

24.2 If yes, state the amount thereof at December 31 of the current year:
- 24.21 Subject to repurchase agreements $
- 24.22 Subject to reverse repurchase agreements $
- 24.23 Subject to dollar repurchase agreements $
- 24.24 Subject to reverse dollar repurchase agreements $
- 24.25 Pledged as collateral $ 3,286,004
- 24.26 Placed under option agreements $
- 24.27 Letter stock or securities restricted as to sale $
- 24.28 On deposit with state or other regulatory body $ 6,326,096
- 24.29 Other $

24.3 For category (24.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

25.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [X]

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

26.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [X]

26.2 If yes, state the amount thereof at December 31 of the current year. $

GENERAL INTERROGATORIES

27. 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 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [X] No [ ]

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

1 Name of Custodian(s)	2 Custodian's Address
State Street Corporation	801 Pennsylvania Avenue, Kansas City, MO 64105

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

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

27.03 Have there been any changes, including name changes, in the custodian(s) identified in 27.01 during the current year? Yes [ ] No [X]

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

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address
107423	Conning Asset Management	One Financial Plaza Hartford, CT 06103-2627

28.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [ ] No [X]

28.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
28.2999 TOTAL		0

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

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

GENERAL INTERROGATORIES

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-) or Fair Value over Statement (+)
29.1 Bonds	86,114,294	88,773,822	2,659,528
29.2 Preferred Stocks	0		0
29.3 Totals	86,114,294	88,773,822	2,659,528

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

Fair Values are determined from a variety of sources including the Securities Valuation Office, pricing service providers, such as IDC or broker dealers such as Bloomberg.

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

30.2 If the answer to 30.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [ ] No [X]

30.3 If the answer to 30.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

Prices are obtained from the dealers/market makers for these securities. The prices are non-binding but represent their best estimate of fair value per market conditions.

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

31.2 If no, list exceptions:

OTHER

32.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $ 12,855

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

1 Name	2 Amount Paid

33.1 Amount of payments for legal expenses, if any? $ 101,952

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

1 Name	2 Amount Paid
Adler Pollack & Sheehan P.C.	31,973
Wollmuth Maher & Deutsch, LLP	41,990

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

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

1 Name	2 Amount Paid

GENERAL INTERROGATORIES
(continued)
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

Most current three years:
1.61 Total premium earned $ 0
1.62 Total incurred claims $ 0
1.63 Number of covered lives 0

All years prior to most current three years:
1.64 Total premium earned $ 0
1.65 Total incurred claims $ 0
1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:
1.71 Total premium earned $ 0
1.72 Total incurred claims $ 0
1.73 Number of covered lives 0

All years prior to most current three years:
1.74 Total premium earned $ 0
1.75 Total incurred claims $ 0
1.76 Number of covered lives 0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	$ 0	$ 0
2.2	Premium Denominator	$ 385,380	$ (345,328)
2.3	Premium Ratio (2.1/2.2)	0.000	0.000
2.4	Reserve Numerator	$ 0	$ 0
2.5	Reserve Denominator	$ 63,123,999	$ 68,407,564
2.6	Reserve Ratio (2.4/2.5)	0.000	0.000

3.1 Does the reporting entity issue both participating and non-participating policies? Yes [ ] No [X]
3.2 If yes, state the amount of calendar year premiums written on:
3.21 Participating policies $
3.22 Non-participating policies $

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

5. For Reciprocal Exchanges Only:
5.1 Does the exchange appoint local agents? Yes [ ] No [ ]
5.2 If yes, is the commission paid:
5.21 Out of Attorney's-in-fact compensation Yes [ ] No [ ] NA [ ]
5.22 As a direct expense of the exchange Yes [ ] No [ ] NA [ ]
5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [ ] No [ ]
5.5 If yes, give full information

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:

None - company in runoff with no current exposure.

6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:

Not applicable - see response to 6.1 above

6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?

Not applicable - see response to 6.1 above

6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [ ] No [X]

6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss.

Not applicable - see response to 6.1 above

7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [ ] No [X]

7.2 If yes, indicate the number of reinsurance contracts containing such provisions.

7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [ ] No [ ]

8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [ ] No [X]

8.2 If yes, give full information

9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:

(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;

(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;

(c) Aggregate stop loss reinsurance coverage;

(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;

(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or

(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. Yes [ ] No [X]

9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling agreements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member, where:

(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or

(b) Twenty–five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes [ ] No [X]

9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:

(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;

(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and

(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4 Except for transactions meeting the requirements of paragraph 32 of SSAP No. 62, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:

(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or

(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [ ] No [X]

9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.

9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:

(a) The entity does not utilize reinsurance; or, Yes [ ] No [X]

(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [ ] No [X]

(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [ ] No [X]

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [ ] N/A [ ]

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force: Yes [ ] No [X]

11.2 If yes, give full information

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11 Unpaid losses $

12.12 Unpaid underwriting expenses (including loss adjustment expenses) $

12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds? $

12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [ ] No [ ] NA [X]

12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

12.41 From %

12.42 To %

12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by the reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes [ ] No [X]

12.6 If yes, state the amount thereof at December 31 of the current year:

12.61 Letters of Credit $

12.62 Collateral and other funds $

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): $

13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [ ] No [ ]

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.

14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [X] No [ ]

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
See Notes to Financial Statements # 26

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [ ] No [X]

14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [X] No [ ]

14.5 If the answer to 14.4 is no, please explain:

15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [ ] No [X]

15.2 If yes, give full information

16.1 Does the reporting entity write any warranty business? Yes [ ] No [X]

If yes, disclose the following information for each of the following types of warranty coverage:

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

* Disclose type of coverage:

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

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

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

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

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

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

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

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

FIVE-YEAR HISTORICAL DATA

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

	1 2010	2 2009	3 2008	4 2007	5 2006
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	36,755	(5,546)	(44,583)	(138,698)	422,987
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,342	6,962	18,661	32,100	271,777
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	(18,904)	1,251,377	1,679,897
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	24,225	0	571
6. Total (Line 35)	38,097	1,416	(20,601)	1,144,779	2,375,232
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	226,974	(195,191)	(261,722)	(157,910)	267,985
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,141	2,872	1,969	(25,106)	12,288
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	156,777	(159,129)	(187,150)	(31,406)	(948,968)
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	20,591	0	485
12. Total (Line 35)	384,892	(351,448)	(426,312)	(214,422)	(668,210)
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(4,675,569)	94,446	23,240,594	(6,767,752)	(10,385,986)
14. Net investment gain (loss) (Line 11)	2,507,898	5,815,714	5,619,719	7,203,083	7,652,371
15. Total other income (Line 15)	1,696	428,229	11,466	1,005,573	(93,005)
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	(746,644)	88,852	655,817	16,313	24,800
18. Net income (Line 20)	(1,419,331)	6,249,537	28,215,962	1,424,590	(2,851,421)
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	109,657,496	117,003,067	165,385,649	172,683,292	191,536,831
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	1,045,831	1,056,243	1,073,259	1,094,914	1,931,125
20.2 Deferred and not yet due (Line 15.2)	0	0	999	137,109	224,600
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	76,210,649	82,069,349	99,438,147	135,780,134	159,959,013
22. Losses (Page 3, Line 1)	49,650,055	51,342,220	65,384,084	97,929,834	109,989,628
23. Loss adjustment expenses (Page 3, Line 3)	12,068,262	15,740,340	16,996,168	26,056,980	33,076,727
24. Unearned premiums (Page 3, Line 9)	0	488	6,732	12,583	235,387
25. Capital paid up (Page 3, Lines 30 & 31)	5,021,200	5,021,200	5,021,200	5,021,200	5,021,200
26. Surplus as regards policyholders (Page 3, Line 37)	33,446,847	34,933,718	65,947,502	36,903,158	31,577,818
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	(3,009,328)	(11,435,582)	(11,633,434)	(10,032,382)	(39,045,922)
Risk-Based Capital Analysis					
28. Total adjusted capital	33,446,847	34,933,718	65,947,502	36,903,158	31,577,818
29. Authorized control level risk-based capital	10,509,973	7,968,117	9,923,274	13,491,309	16,697,512
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	74.9	54.7	66.2	73.8	81.3
31. Stocks (Lines 2.1 & 2.2)	13.9	13.6	8.7	5.4	3.3
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5)	7.6	28.3	22.6	18.3	13.2
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7)	0.0	XXX	XXX	XXX	XXX
37. Other invested assets (Line 8)	3.6	3.4	2.5	2.3	2.2
38. Receivables for securities (Line 9)	0.0	0.0	0.0	0.3	0.0
39. Securities lending reinvested collateral assets (Line 10)	0.0	XXX	XXX	XXX	XXX
40. Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	14,579,413	14,869,818	13,515,656	9,156,972	5,955,978
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
46. Affiliated mortgage loans on real estate		0	0	0	0
47. All other affiliated		0	0	0	0
48. Total of above Lines 42 to 47	14,579,413	14,869,818	13,515,656	9,156,972	5,955,978
49. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	43.6	42.6	20.5	24.8	18.9

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2010	2 2009	3 2008	4 2007	5 2006
Capital and Surplus Accounts (Page 4)					
50. Net unrealized capital gains (losses) (Line 24)	(214,875)	89,424	5,663,801	172,097	0
51. Dividends to stockholders (Line 35)	0	(38,831,052)	(560,336)	0	0
52. Change in surplus as regards policyholders for the year (Line 38)	(1,486,871)	(31,013,784)	29,044,344	5,325,341	(2,605,687)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
53. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	2,506,713	8,096,430	11,476,087	15,341,468	25,200,891
54. Property lines (Lines 1, 2, 9, 12, 21 & 26)	(13,159)	(70,857)	(93,751)	455,522	43,869
55. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,613,674	3,522,147	5,735,117	7,623,672	14,229,846
56. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	20,000	35,480	(109,389)	91,775
57. Nonproportional reinsurance lines (Lines 31, 32 & 33)	769,304	4,313,525	929,593	768,734	1,563,821
58. Total (Line 35)	4,876,532	15,881,245	18,082,526	24,080,007	41,130,202
Net Losses Paid (Page 9, Part 2, Col. 4)					
59. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	1,615,653	1,444,648	4,861,263	7,701,604	15,028,515
60. Property lines (Lines 1, 2, 9, 12, 21 & 26)	(33,294)	(90,389)	(97,201)	376,336	(48,384)
61. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,264,427	2,114,923	3,896,457	6,257,223	8,112,937
62. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	2,850	14,211	(32,062)	78,588
63. Nonproportional reinsurance lines (Lines 31, 32 & 33)	653,908	1,852,481	(505,378)	(217,646)	(350,140)
64. Total (Line 35)	3,500,694	5,324,513	8,169,352	14,085,455	22,821,517
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
65. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
66. Losses incurred (Line 2)	469.3	2,524.4	5,746.8	69,491.0	85.1
67. Loss expenses incurred (Line 3)	25.6	(921.0)	774.1	11,107.1	798.0
68. Other underwriting expenses incurred (Line 4)	818.3	(1,476.0)	(942.1)	151,828.2	141.9
69. Net underwriting gain (loss) (Line 8)	(1,213.2)	(27.3)	(5,479.0)	(232,169.9)	(925.3)
Other Percentages					
70. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	818.9	(1,328.4)	(934.5)	(1,593.0)	(252.7)
71. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	494.9	1,603.3	6,520.9	80,598.1	883.1
72. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	1.2	(1.0)	(0.6)	(0.6)	(2.1)
One Year Loss Development (000 omitted)					
73. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Col. 11)	2,330	(7,910)	(29,168)	(595)	1,444
74. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 73 above divided by Page 4, Line 21, Col. 1 x 100.0)	6.7	(12.0)	(79.0)	(1.9)	4.2
Two Year Loss Development (000 omitted)					
75. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(5,579)	(37,080)	(29,777)	1,083	6,086
76. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 75 above divided by Page 4, Line 21, Col. 2 x 100.0)	(8.5)	(100.5)	(94.3)	3.2	21.9

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

If no, please explain:

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

($000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported - Direct and Assumed
				4	5	6	7	8	9	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
	Direct and Assumed	Ceded	Net (Cols. 1 - 2)	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1. Prior	XXX	XXX	XXX	2,263	489	902	342	973	0	191	3,307	XXX
2. 2001	195,787	17,560	178,227	133,006	22,366	12,923	1,365	14,290	0	6,000	136,489	XXX
3. 2002	194,570	40,230	154,339	100,514	20,839	9,589	1,820	15,619	0	4,324	103,063	XXX
4. 2003	154,837	39,748	115,089	74,657	16,686	6,316	1,565	14,655	0	2,765	77,377	XXX
5. 2004	124,552	17,728	106,824	46,908	2,681	4,189	220	13,256	0	2,044	61,451	XXX
6. 2005	27,681	3,646	24,035	12,771	862	804	81	3,769	0	464	16,401	XXX
7. 2006	3,045	1,922	1,122	800	402	60	52	650	0	8	1,057	XXX
8. 2007	1,447	1,444	3	449	396	34	40	299	0	6	345	XXX
9. 2008	494	918	(424)	45	43	1	5	68	0	0	66	XXX
10. 2009	7	353	(345)	0	0	0	0	(7)	0	0	(7)	XXX
11. 2010	32	(354)	386	0	0	0	0	0	0	0	0	XXX
12. Totals	XXX	XXX	XXX	371,414	64,766	34,820	5,490	63,572	0	15,802	399,549	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22	Salvage and Subrog-ation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstand-ing - Direct and Assumed
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1.	43,504	18,778	23,649	6,446	0	0	6,146	2,914	5,192	0	170	50,354	XXX
2.	2,250	1,245	1,574	1,006	0	0	433	109	453	0	95	2,350	XXX
3.	1,500	77	876	326	0	0	342	34	583	0	94	2,863	XXX
4.	1,833	71	336	164	0	0	338	16	559	0	105	2,814	XXX
5.	1,222	10	724	151	0	0	328	15	557	0	98	2,654	XXX
6.	316	3	125	12	0	0	75	4	153	0	11	650	XXX
7.	21	0	1	0	0	0	1	0	0	0	0	24	XXX
8.	6	0	2	0	0	0	0	0	0	0	0	9	XXX
9.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
10.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
11.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
12. Totals	50,652	20,184	27,288	8,105	0	0	7,663	3,092	7,497	0	574	61,718	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33	Inter-Company Pooling Participation Percentage	35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	41,929	8,425
2.	164,930	26,091	138,839	84.2	148.6	77.9	0	0	85.0	1,573	777
3.	129,023	23,097	105,926	66.3	57.4	68.6	0	0	85.0	1,973	890
4.	98,694	18,502	80,191	63.7	46.5	69.7	0	0	85.0	1,933	881
5.	67,184	3,079	64,105	53.9	17.4	60.0	0	0	85.0	1,784	870
6.	18,013	962	17,051	65.1	26.4	70.9	0	0	85.0	427	224
7.	1,535	454	1,081	50.4	23.6	96.3	0	0	85.0	23	1
8.	790	436	354	54.6	30.2	12,152.4	0	0	85.0	8	0
9.	114	48	66	23.1	5.3	(15.5)	0	0	85.0	0	0
10.	(7)	0	(7)	(92.9)	0.0	2.0	0	0	85.0	0	0
11.	0	0	0	0.0	0.0	0.0	0	0	85.0	0	0
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	49,650	12,068

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)										DEVELOPMENT	
	1 2001	2 2002	3 2003	4 2004	5 2005	6 2006	7 2007	8 2008	9 2009	10 2010	11 One Year	12 Two Year
1. Prior	98,189	127,482	151,144	162,937	165,306	171,716	178,172	166,615	161,991	166,833	4,842	218
2. 2001	108,657	114,391	124,276	129,893	128,781	127,641	126,918	125,609	124,735	124,301	(434)	(1,308)
3. 2002	XXX	84,774	90,518	93,466	97,105	95,019	93,406	91,242	90,361	89,837	(523)	(1,404)
4. 2003	XXX	XXX	64,507	70,492	71,986	70,589	68,831	66,711	66,085	65,036	(1,050)	(1,675)
5. 2004	XXX	XXX	XXX	65,911	63,250	63,819	61,747	51,883	51,025	50,337	(688)	(1,546)
6. 2005	XXX	XXX	XXX	XXX	16,623	15,710	15,061	13,005	12,940	13,141	201	136
7. 2006	XXX	XXX	XXX	XXX	XXX	781	547	435	444	431	(13)	(4)
8. 2007	XXX	XXX	XXX	XXX	XXX	XXX	39	53	59	55	(4)	2
9. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	(4)	(2)	(2)	0	2
10. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	XXX
11. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX
										12. Totals	2,330	(5,579)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2001	2 2002	3 2003	4 2004	5 2005	6 2006	7 2007	8 2008	9 2009	10 2010		
1. Prior	000	43,545	77,916	101,702	109,281	113,076	114,311	115,777	117,191	119,525	XXX	XXX
2. 2001	45,159	71,526	87,662	105,447	114,639	118,294	120,421	121,469	122,035	122,198	XXX	XXX
3. 2002	XXX	27,324	46,916	59,365	70,862	78,394	83,568	85,916	86,987	87,444	XXX	XXX
4. 2003	XXX	XXX	17,412	36,702	49,397	55,503	59,667	61,621	62,420	62,723	XXX	XXX
5. 2004	XXX	XXX	XXX	21,583	33,197	38,786	42,193	45,234	47,523	48,195	XXX	XXX
6. 2005	XXX	XXX	XXX	XXX	8,031	9,639	10,992	11,408	11,959	12,632	XXX	XXX
7. 2006	XXX	XXX	XXX	XXX	XXX	227	274	349	388	407	XXX	XXX
8. 2007	XXX	XXX	XXX	XXX	XXX	XXX	18	27	40	46	XXX	XXX
9. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	(4)	(3)	(2)	XXX	XXX
10. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	XXX
11. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)									
	1 2001	2 2002	3 2003	4 2004	5 2005	6 2006	7 2007	8 2008	9 2009	10 2010
1. Prior	31,690	29,702	32,117	26,891	28,424	36,982	42,913	30,285	18,523	22,583
2. 2001	32,990	15,083	13,104	8,030	6,740	4,948	3,319	1,893	1,357	1,098
3. 2002	XXX	30,232	21,901	10,428	9,076	6,226	4,146	2,116	1,427	970
4. 2003	XXX	XXX	24,114	13,391	10,899	6,618	4,394	2,105	1,328	551
5. 2004	XXX	XXX	XXX	25,756	16,897	14,912	12,133	2,427	1,460	930
6. 2005	XXX	XXX	XXX	XXX	4,759	3,379	2,374	489	285	195
7. 2006	XXX	XXX	XXX	XXX	XXX	380	127	22	14	3
8. 2007	XXX	XXX	XXX	XXX	XXX	XXX	(2)	11	5	2
9. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
10. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken 2 Direct Premiums Written	 3 Direct Premiums Earned	4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
1. Alabama AL	L	0	0	0	662	20,928	45,161	0	
2. Alaska AK	L	0	0	0	490,786	838,405	4,277,405	0	
3. Arizona AZ	L	0	0	0	0	111	147	0	
4. Arkansas AR	L	0	0	0	0	(25)	0	0	
5. California CA	L	0	0	0	878	(1,894)	31,905	0	
6. Colorado CO	N	0	0	0	0	0	0	0	
7. Connecticut CT	L	0	0	0	175,243	157,657	2,707,410	0	
8. Delaware DE	L	0	0	0	0	(22,373)	373,288	0	
9. Dist. of Columbia DC	L	0	0	0	0	(53,350)	(4,014)	0	
10. Florida FL	N	0	0	0	1	(3,150)	37,786	0	
11. Georgia GA	L	0	0	0	(6,272)	187,830	1,998,488	0	
12. Hawaii HI	N	0	0	0	0	0	0	0	
13. Idaho ID	L	0	0	0	0	450	1,550	0	
14. Illinois IL	L	0	0	0	193	86,679	696,726	0	
15. Indiana IN	L	0	0	0	5,130	15,665	730,639	0	
16. Iowa IA	L	0	0	0	0	2	3	0	
17. Kansas KS	L	0	0	0	0	(32)	274	0	
18. Kentucky KY	L	0	0	0	20,499	3,123	613,442	0	
19. Louisiana LA	L	0	0	0	29,138	59,770	202,969	0	
20. Maine ME	L	0	0	0	(1,001)	6,040	11,110	0	
21. Maryland MD	L	0	0	0	0	(119,151)	94,799	0	
22. Massachusetts MA	L	0	0	0	80,165	(336,588)	1,763,087	0	
23. Michigan MI	L	0	0	0	5,175	3,704	21,715	0	
24. Minnesota MN	L	0	0	0	0	1,629	1,847	0	
25. Mississippi MS	N	0	0	0	26,738	5,880	244,832	0	
26. Missouri MO	L	0	0	0	0	5	423	0	
27. Montana MT	L	0	0	0	0	(20,000)	0	0	
28. Nebraska NE	L	0	0	0	0	(15,018)	20	0	
29. Nevada NV	L	0	0	0	0	0	0	0	
30. New Hampshire NH	N	0	0	0	610,566	270,095	98,981	0	
31. New Jersey NJ	L	0	0	0	67,436	(15,602)	4,261,074	0	
32. New Mexico NM	L	0	0	0	0	85	0	0	
33. New York NY	L	(17)	556	0	1,499,195	(2,197,813)	15,500,951	0	
34. No. Carolina NC	N	0	0	0	6,219	194,954	691,482	0	
35. No. Dakota ND	L	0	0	0	0	0	0	0	
36. Ohio OH	N	0	0	0	(1,992)	7,896	59,394	0	
37. Oklahoma OK	L	0	0	0	0	(4)	0	0	
38. Oregon OR	L	0	0	0	27,404	8,376	206,195	0	
39. Pennsylvania PA	L	0	0	0	118,607	(504,246)	3,104,510	0	
40. Rhode Island RI	L	0	0	0	98,400	146,998	11,617,179	0	
41. So. Carolina SC	L	0	0	0	0	2,047	1,594	0	
42. So. Dakota SD	L	0	0	0	0	0	0	0	
43. Tennessee TN	L	0	0	0	40,082	370,940	1,387,422	0	
44. Texas TX	L	0	0	0	201,151	(507,903)	14,636,144	0	
45. Utah UT	N	0	0	0	0	(2,391)	18,953	0	
46. Vermont VT	L	0	0	0	0	(508)	1,007	0	
47. Virginia VA	L	0	0	0	10,446	340,485	795,903	0	
48. Washington WA	L	0	0	0	35,304	(16,527)	797,668	0	
49. West Virginia WV	N	0	0	0	0	(1,465)	208	0	
50. Wisconsin WI	L	0	0	0	0	(68)	1,137	0	
51. Wyoming WY	N	0	0	0	0	0	0	0	
52. American Samoa AS	N	0	0	0	0	0	0	0	
53. Guam GU	N	0	0	0	0	0	0	0	
54. Puerto Rico PR	N	0	0	0	0	0	0	0	
55. U.S. Virgin Islands VI	N	0	0	0	0	0	0	0	
56. Northern Mariana Islands MP	N	0	0	0	0	0	0	0	
57. Canada CN	N	0	0	0	0	0	0	0	
58. Aggregate other alien OT	XXX	0	0	0	0	0	0	0	0
59. Totals	(a) 41	(17)	556	0	3,540,153	(1,088,352)	67,030,815	0	0
DETAILS OF WRITE-INS									
5801.	XXX								
5802.	XXX								
5803.	XXX								
5898. Sum. of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 + 5898) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

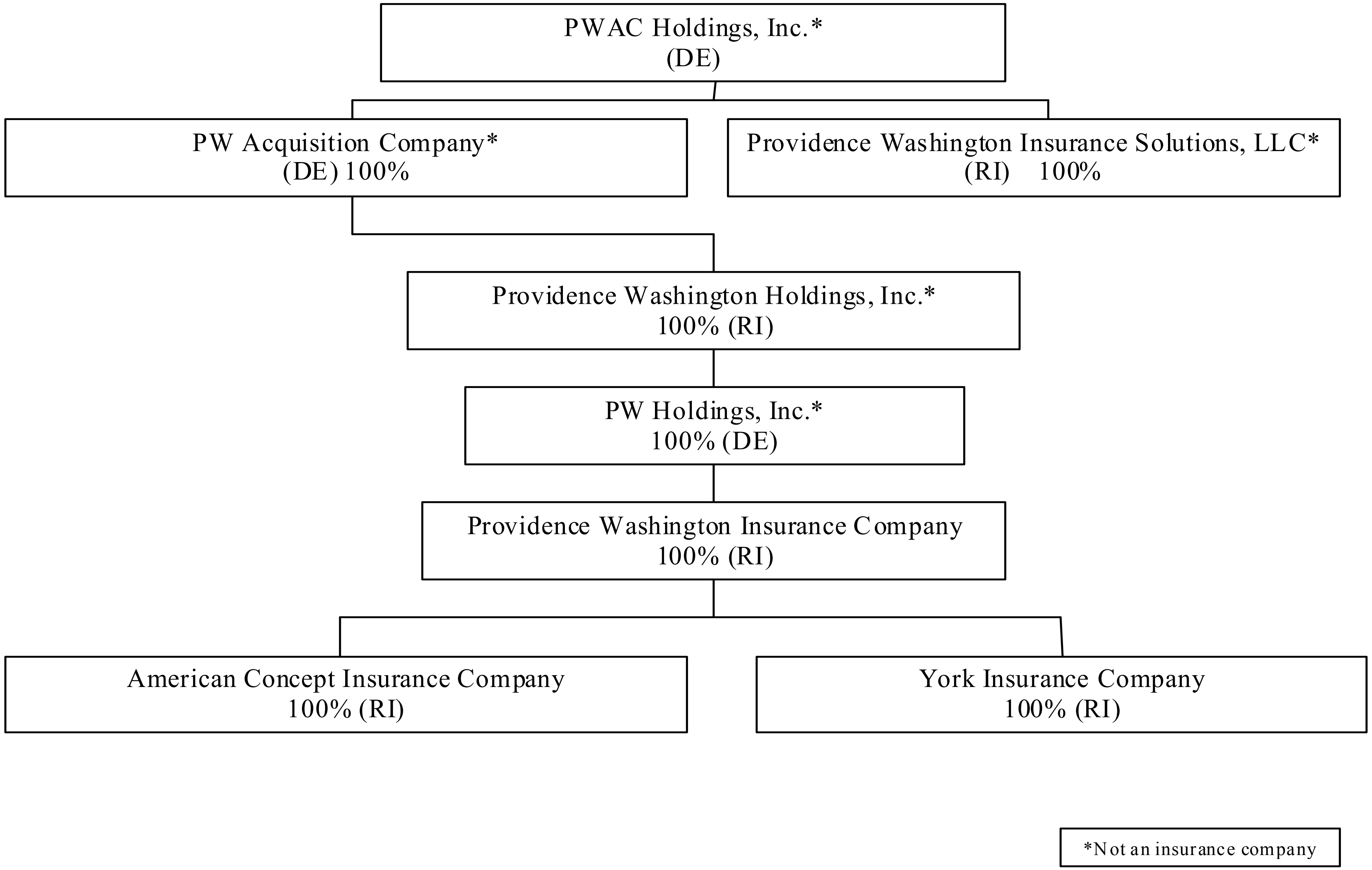
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

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

(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



ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)