2576320102010010100

PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2010

OF THE CONDITION AND AFFAIRS OF THE

Seaton Insurance Company

NAIC Group Code 1343 (Current Period), 1343 (Prior Period) NAIC Company Code 25763 Employer's ID Number 91-0341780

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

Country of Domicile United States

Incorporated/Organized 04/01/1901 Commenced Business 04/01/1901

Statutory Home Office 200 Metro Center Blvd, Suite 8 (Street and Number), Warwick, RI 02886 (City or Town, State and Zip Code)

Main Administrative Office 200 Metro Center Blvd, Suite 8 (Street and Number) Warwick, RI 02886 (City or Town, State and Zip Code) 401-921-5234 (Area Code) (Telephone Number)

Mail Address 200 Metro Center Blvd, Suite 8 (Street and Number or P.O. Box), Warwick, RI 02886 (City or Town, State and Zip Code)

Primary Location of Books and Records 200 Metro Center Blvd, Suite 8 (Street and Number) Warwick, RI 02886 (City or Town, State and Zip Code) 401-921-5234-207 (Area Code) (Telephone Number)

Internet Website Address

Statutory Statement Contact Teresa M. Reali (Name) 401-921-5234-207 (Area Code) (Telephone Number) (Extension)

teresa.reali@enstargroup.us.com (E-mail Address) 401-921-5238 (Fax Number)

OFFICERS

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

OTHER OFFICERS

Joseph Patrick Follis	Vice President		

DIRECTORS OR TRUSTEES

Karl John Wall	Robert Barry Carlson	Joseph Patrick Follis #	Donna Lynn Stolz #
Andrea Jill Giannetta #			

State of Rhode Island

County of Kent **ss**

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

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

Subscribed and sworn to before me this 18 day of February, 2011

Stacey Nolan Notary Public
June 8, 2013

a. Is this an original filing? Yes [X] No [ ]
b. If no,
1. State the amendment number
2. Date filed 02/28/2011
3. Number of pages attached

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)	12,272,462		12,272,462	30,926,088
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
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 ($ 29,187,672 , Schedule E - Part 1), cash equivalents ($ 0 , Schedule E - Part 2) and short-term investments ($ 354,538 , Schedule DA)	29,542,211		29,542,211	18,312,268
6. Contract loans (including $ premium notes)			0	0
7. Derivatives			0	
8. Other invested assets (Schedule BA)	0		0	0
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)	41,814,673	0	41,814,673	49,238,356
13. Title plants less $ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	148,076		148,076	338,410
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection			0	0
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	18,431,612		18,431,612	23,660,392
16.2 Funds held by or deposited with reinsured companies	164,709		164,709	276,543
16.3 Other amounts receivable under reinsurance contracts	72,800,000		72,800,000	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset	3,694,874	3,694,874	0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets ($)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	290,000
24. Health care ($) and other amounts receivable			0	0
25. Aggregate write-ins for other than invested assets	0	0	0	9,900,000
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	137,053,944	3,694,874	133,359,070	83,703,701
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	137,053,944	3,694,874	133,359,070	83,703,701
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. Misc Receivable			0	9,900,000
2502.				
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)	0	0	0	9,900,000

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	102,841,910	135,234,583
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	10,251,549	6,727,140
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	14,008,884	23,117,893
4.	Commissions payable, contingent commissions and other similar charges		0
5.	Other expenses (excluding taxes, licenses and fees)	474,333	115,000
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)		0
7.1	Current federal and foreign income taxes (including $ on realized capital gains (losses))		622,676
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	0
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)		0
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	132,382	132,382
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)	7,718,166	8,541,590
17.	Net adjustments in assets and liabilities due to foreign exchange rates	1,310	281,093
18.	Drafts outstanding		0
19.	Payable to parent, subsidiaries and affiliates	560,000	778,298
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	(12,139,452)	(97,860,520)
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	123,849,082	77,690,135
27.	Protected cell liabilities		0
28.	Total liabilities (Lines 26 and 27)	123,849,082	77,690,135
29.	Aggregate write-ins for special surplus funds	0	97,860,518
30.	Common capital stock	2,600,000	2,600,000
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	52,400,000	52,400,000
35.	Unassigned funds (surplus)	(45,490,012)	(146,846,954)
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)	9,509,988	6,013,564
38.	Totals (Page 2, Line 28, Col. 3)	133,359,069	83,703,699
	DETAILS OF WRITE-INS		
2501.	Special Surplus from Retro Reinsurance	(12,139,452)	(97,860,520)
2502.	Special Surplus from Retro Reinsurance		0
2503.			
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0
2599.	Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	(12,139,452)	(97,860,520)
2901.	Special Surplus from Retro Reinsurance		(1,000,000)
2902.	Special Surplus from Retro Reinsurance		158,999,999
2903.	Payments of Excess of Premium		(60,139,481)
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	97,860,518
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)	2,431	4,674
	DEDUCTIONS:		
2.	Losses incurred (Part 2, Line 35, Column 7)	(6,694,625)	(2,475,350)
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	(3,309,310)	5,482,879
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2)	1,283,392	1,133,297
5.	Aggregate write-ins for underwriting deductions	0	0
6.	Total underwriting deductions (Lines 2 through 5)	(8,720,543)	4,140,825
7.	Net income of protected cells		0
8.	Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	8,722,974	(4,136,151)
	INVESTMENT INCOME		
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	1,013,948	1,624,693
10.	Net realized capital gains (losses) less capital gains tax of $ (Exhibit of Capital Gains (Losses))	380,475	(11,558)
11.	Net investment gain (loss) (Lines 9 + 10)	1,394,423	1,613,135
	OTHER INCOME		
12.	Net gain (loss) from agents' or premium balances charged off (amount recovered $ amount charged off $)		0
13.	Finance and service charges not included in premiums		0
14.	Aggregate write-ins for miscellaneous income	(10,949,412)	(27,005)
15.	Total other income (Lines 12 through 14)	(10,949,412)	(27,005)
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(832,015)	(2,550,021)
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)	(832,015)	(2,550,021)
19.	Federal and foreign income taxes incurred	(3,075,106)	(1,077,949)
20.	Net income (Line 18 minus Line 19) (to Line 22)	2,243,091	(1,472,072)
	CAPITAL AND SURPLUS ACCOUNT		
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	6,013,561	3,328,742
22.	Net income (from Line 20)	2,243,091	(1,472,072)
23.	Net transfers (to) from Protected Cell accounts		0
24.	Change in net unrealized capital gains or (losses) less capital gains tax of $	150,124	(155,922)
25.	Change in net unrealized foreign exchange capital gain (loss)	279,783	789,204
26.	Change in net deferred income tax	(10,497,837)	(992,472)
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	10,497,837	1,693,953
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	823,424	892,098
29.	Change in surplus notes		0
30.	Surplus (contributed to) withdrawn from protected cells		0
31.	Cumulative effect of changes in accounting principles		0
32.	Capital changes:		
	32.1 Paid in		0
	32.2 Transferred from surplus (Stock Dividend)		0
	32.3 Transferred to surplus		0
33.	Surplus adjustments:		
	33.1 Paid in		0
	33.2 Transferred to capital (Stock Dividend)		0
	33.3 Transferred from capital		0
34.	Net remittances from or (to) Home Office		0
35.	Dividends to stockholders		0
36.	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)	0	0
37.	Aggregate write-ins for gains and losses in surplus	0	1,930,030
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37)	3,496,423	2,684,819
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	9,509,984	6,013,561
	DETAILS OF WRITE-INS		
0501.			
0502.			
0503.			
0598.	Summary of remaining write-ins for Line 5 from overflow page	0	0
0599.	Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401.	Misc Income or Expense	8,537	1,654
1402.	Reinsurance Unpaid Paid writeoff	(15,643)	(28,659)
1403.	Run - off Expense	(21,238)	0
1498.	Summary of remaining write-ins for Line 14 from overflow page	(10,921,068)	0
1499.	Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	(10,949,412)	(27,005)
3701.	Prior Period Adjustment-claim service fees		(701,481)
3702.	Prior Period Adjustment - NICO treaty adj		2,631,511
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)	0	1,930,030

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	2,431	4,674
2. Net investment income	989,186	1,000,471
3. Miscellaneous income	(10,837,578)	(13,576)
4. Total (Lines 1 through 3)	(9,845,962)	991,569
5. Benefit and loss related payments	16,944,858	6,119,372
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	6,723,759	12,574,529
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of $ tax on capital gains (losses)	(2,452,430)	(1,235,934)
10. Total (Lines 5 through 9)	21,216,187	17,457,967
11. Net cash from operations (Line 4 minus Line 10)	(31,062,149)	(16,466,399)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	19,369,414	17,262,705
12.2 Stocks	0	4,519
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	0	0
12.7 Miscellaneous proceeds	1	1
12.8 Total investment proceeds (Lines 12.1 to 12.7)	19,369,415	17,267,225
13. Cost of investments acquired (long-term only):		
13.1 Bonds	249,875	7,991,111
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	1
13.7 Total investments acquired (Lines 13.1 to 13.6)	249,875	7,991,112
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)	19,119,540	9,276,113
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities		0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	23,172,555	16,351,685
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	23,172,555	16,351,685
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)	11,229,946	9,161,399
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	18,312,258	9,150,859
19.2 End of year (Line 18 plus Line 19.1)	29,542,204	18,312,258

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	0	0	0	0
2.	Allied lines	0	0	0	0
3.	Farmowners multiple peril	0	0	0	0
4.	Homeowners multiple peril	0	0	0	0
5.	Commercial multiple peril	0	0	0	0
6.	Mortgage guaranty	0	0	0	0
8.	Ocean marine	0	0	0	0
9.	Inland marine	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	0	0	0	0
17.1	Other liability - occurrence	0	0	0	0
17.2	Other liability - claims-made	0	0	0	0
17.3	Excess workers' compensation	0	0	0	0
18.1	Products liability - occurrence	0	0	0	0
18.2	Products liability - claims-made	0	0	0	0
19.1,19.2	Private passenger auto liability	0	0	0	0
19.3,19.4	Commercial auto liability	0	0	0	0
21.	Auto physical damage	0	0	0	0
22.	Aircraft (all perils)	0	0	0	0
23.	Fidelity	0	0	0	0
24.	Surety	0	0	0	0
26.	Burglary and theft	0	0	0	0
27.	Boiler and machinery	0	0	0	0
28.	Credit	0	0	0	0
29.	International	0	0	0	0
30.	Warranty	0	0	0	0
31.	Reinsurance - nonproportional assumed property	0	0	0	0
32.	Reinsurance - nonproportional assumed liability	2,431	0	0	2,431
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	2,431	0	0	2,431
	DETAILS OF WRITE-INS				
3401.					
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.						
3402.						
3403.						
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

(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						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	XXX					0
32.	Reinsurance - nonproportional assumed liability	XXX		2,422		(9)	2,431
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	0	0	2,422	0	(9)	2,431
	DETAILS OF WRITE-INS						
3401.							
3402.							
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 [ ]

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				0	0	0	0	0.0
2.	Allied lines				0	0	0	0	0.0
3.	Farmowners multiple peril	(1,599)		(1,599)	0	0	0	0	0.0
4.	Homeowners multiple peril	(292)		(292)	0	0	0	0	0.0
5.	Commercial multiple peril	350,959		350,959	0	0	0	0	0.0
6.	Mortgage guaranty				0	0	0	0	0.0
8.	Ocean marine				0	0	0	0	0.0
9.	Inland marine				0	0	0	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	1,017,592		1,017,592	0	0	0	0	0.0
17.1	Other liability - occurrence	32,359,879		12,217,659	20,142,220	29,405,780	45,888,669	3,659,331	0.0
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	118,025		118,025	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	4,330		4,330	0	0	0	0	0.0
19.3,19.4	Commercial auto liability	(1,050)		(1,050)	0	0	0	0	0.0
21.	Auto physical damage	(41,575)		(41,575)	0	0	0	0	0.0
22.	Aircraft (all perils)				0	0	0	0	0.0
23.	Fidelity				0	0	0	0	0.0
24.	Surety				0	0	0	0	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	0	0	0	0.0
32.	Reinsurance - nonproportional assumed liability	XXX	8,931,649	3,375,823	5,555,826	73,436,131	89,345,914	(10,353,956)	(425,913.5)
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	33,806,269	8,931,649	17,039,872	25,698,047	102,841,910	135,234,583	(6,694,625)	(275,385.7)
	DETAILS OF WRITE-INS								
3401.									
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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8	9
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1. Fire				0				0	
2. Allied lines				0	10,532		10,532	0	
3. Farmowners multiple peril				0	561,323		561,323	0	
4. Homeowners multiple peril				0	11		11	0	
5. Commercial multiple peril	670,164		670,164	0	12,058,937		12,058,937	0	
6. Mortgage guaranty				0				0	
8. Ocean marine				0				0	
9. Inland marine				0				0	
10. Financial guaranty				0				0	
11.1 Medical professional liability - occurrence				0				0	
11.2 Medical professional liability - claims-made				0				0	
12. Earthquake				0				0	
13. Group accident and health				0				(a) 0	
14. Credit accident and health (group and individual)				0				0	
15. Other accident and health				0				(a) 0	
16. Workers' compensation	7,427,634		7,427,634	0	5		5	0	
17.1 Other liability - occurrence	37,589,191	442,101	15,099,655	22,931,637	18,000,735	600,000	12,126,592	29,405,780	3,457,103
17.2 Other liability - claims-made				0				0	
17.3 Excess workers' compensation				0				0	
18.1 Products liability - occurrence	760,065		760,065	0	271,425		271,425	0	
18.2 Products liability - claims-made				0				0	
19.1,19.2 Private passenger auto liability				0	374		374	0	
19.3,19.4 Commercial auto liability	1		1	0				0	
21. Auto physical damage				0				0	
22. Aircraft (all perils)				0				0	
23. Fidelity				0	15,277		15,277	0	
24. Surety				0	626		626	0	
26. Burglary and theft				0	24,946		24,946	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			0	XXX			0	
32. Reinsurance - nonproportional assumed liability	XXX	36,709,173	5,835,154	30,874,019	XXX	54,466,399	11,904,287	73,436,131	10,551,781
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	46,447,055	37,151,273	29,792,673	53,805,655	30,944,191	55,066,399	36,974,335	102,841,910	14,008,884
DETAILS OF WRITE-INS									
3401.									
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	(4,233,990)			(4,233,990)
1.2 Reinsurance assumed	1,568,673			1,568,673
1.3 Reinsurance ceded	1,408,057			1,408,057
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	(4,073,374)	0	0	(4,073,374)
2. Commission and brokerage:				
2.1 Direct, excluding contingent				0
2.2 Reinsurance assumed, excluding contingent		881		881
2.3 Reinsurance ceded, excluding contingent				0
2.4 Contingent-direct				0
2.5 Contingent-reinsurance assumed				0
2.6 Contingent-reinsurance ceded				0
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	881	0	881
3. Allowances to manager and agents				0
4. Advertising				0
5. Boards, bureaus and associations	1,020	680		1,700
6. Surveys and underwriting reports				0
7. Audit of assureds' records				0
8. Salary and related items:				
8.1 Salaries				0
8.2 Payroll taxes				0
9. Employee relations and welfare				0
10. Insurance		29,182		29,182
11. Directors' fees				0
12. Travel and travel items		1,956		1,956
13. Rent and rent items				0
14. Equipment				0
15. Cost or depreciation of EDP equipment and software				0
16. Printing and stationery				0
17. Postage, telephone and telegraph, exchange and express				0
18. Legal and auditing	721,392	641,521		1,362,914
19. Totals (Lines 3 to 18)	722,412	673,339	0	1,395,752
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of $	1,281	854		2,135
20.2 Insurance department licenses and fees	40,371	26,914		67,285
20.3 Gross guaranty association assessments				0
20.4 All other (excluding federal and foreign income and real estate)				0
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	41,652	27,768	0	69,420
21. Real estate expenses				0
22. Real estate taxes				0
23. Reimbursements by uninsured plans				0
24. Aggregate write-ins for miscellaneous expenses	0	581,403	108,374	689,777
25. Total expenses incurred	(3,309,310)	1,283,392	108,374	(a) (1,917,544)
26. Less unpaid expenses - current year	14,008,884	474,333		14,483,217
27. Add unpaid expenses - prior year	23,117,893	115,000	0	23,232,893
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)	5,799,700	924,059	108,374	6,832,133
DETAILS OF WRITE-INS				
2401. Run-Off Expense		560,000		560,000
2402. Consulting fees		22,741		22,741
2403. Misc Expense		(1,338)	108,374	107,036
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	0	581,403	108,374	689,777

(a) Includes management fees of $ 1,400,000 to affiliates and $ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a) 207,297	157,014
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 1,068,478	928,426
1.3	Bonds of affiliates	(a) 0	
2.1	Preferred stocks (unaffiliated)	(b) 0	
2.11	Preferred stocks of affiliates	(b) 0	
2.2	Common stocks (unaffiliated)	0	
2.21	Common stocks of affiliates	0	
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 13,482	13,482
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income	0	0
10.	Total gross investment income	1,289,257	1,098,922
11.	Investment expenses		(g) 84,974
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		84,974
17.	Net investment income (Line 10 minus Line 16)		1,013,948
	DETAILS OF WRITE-INS		
0901.			
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		0

(a) Includes $ 16,389 accrual of discount less $ 81,075 amortization of premium and less $ 0 paid for accrued interest on purchases.
(b) Includes $ accrual of discount less $ amortization of premium and less $ 0 paid for accrued dividends on purchases.
(c) Includes $ 0 accrual of discount less $ 0 amortization of premium and less $ paid for accrued interest on purchases.
(d) Includes $ for company's occupancy of its own buildings; and excludes $ interest on encumbrances.
(e) Includes $ accrual of discount less $ amortization of premium and less $ paid for accrued interest on purchases.
(f) Includes $ accrual of discount less $ amortization of premium.
(g) Includes $ investment expenses and $ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes $ interest on surplus notes and $ interest on capital notes.
(i) Includes $ depreciation on real estate and $ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5. Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	3,235		3,235		
1.1	Bonds exempt from U.S. tax			0		
1.2	Other bonds (unaffiliated)	377,240		377,240	150,124	
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	0	0
2.21	Common stocks of affiliates	0	0	0	0	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0		0
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments			0	0	0
7.	Derivative instruments			0		
8.	Other invested assets	0	0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	380,475	0	380,475	150,124	0
	DETAILS OF WRITE-INS					
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1 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	3,694,874	14,192,711	10,497,837
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	0	0	0
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)	3,694,874	14,192,711	10,497,837
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
28. Total (Lines 26 and 27)	3,694,874	14,192,711	10,497,837
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. Misc Receivable	0	0	0
2502.			
2503.			
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. The accompanying financial statements of the Company have been prepared in conformity with accounting practice prescribed or permitted by the NAIC *Accounting Practices and Procedures* manual and the State of Rhode Island.

B. 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. The Company uses the following accounting policies:

1. Short-term investments are stated at cost.
2. Bonds, including issuer obligations, mortgage-backed securities and asset-backed securities rated 1 and 2 are stated at amortized cost using the interest method; all others are stated at the lower of amortized cost or market.
3. Common Stocks, other than investments in stocks of subsidiaries and affiliates, are reported at fair market values as determined by the Securities Valuation of the NAIC.
4. Preferred Stocks – High quality redeemable preferred stocks (NAIC designations 1 and 2), which have characteristics of debt securities, shall be valued at cost or amortized costs. All other redeemable preferred stocks (NAIC designations 3 – 6 shall be reported at the lower of cost, amortized cost or fair value.
5. Mortgage Loans – Not Applicable
6. Loan-Backed Securities are stated at either amortized cost or the lower of amortized cost or fair market value. The prospective adjustment method is used to value all securities.
7. Investments in subsidiaries, controlled and affiliated companies – Not Applicable
8. Investments in joint ventures, partnerships and limited liability companies – Not Applicable
9. Derivatives – Not Applicable
10. Premium Deficiency – Not Applicable
11. Loss/Claim Adjustment Expenses – Asbestos, Environmental and Other Latent Injury Type Claims
    Direct Losses – An exposure analysis on an account by account basis is performed and the appropriate reserves are established whether it be case reserves or a bulk IBNR reserve. IBNR reserves are established for the unknown or unreported cases, adverse development on known cases and allocated adjustment expenses.
    Assumed Losses – An exposure analysis on a treaty by treaty is performed and the appropriate case reserves are established. A more detailed category review assists in the development of the IBNR reserves.
12. Capitalization Policy – Not Applicable.
13. Pharmaceutical Rebate Receivables – Not Applicable

2. Accounting Changes and Corrections of Errors

A. In 2009, the Company recorded a prior period adjustment in the amount of $(701,481) and $2,631,511. The first adjustment was to record additional incurred expenses for Resolute Management Inc. for claim servicing fees from April 2006 through December 2008. The second adjustment was to record an adjustment to the NICO Retroactive Reinsurance Treaty for a true up of prior years entries. Both transactions were recorded as prior period adjustments and direct charges to Surplus.

There have been no material changes in accounting principles and/or correction of errors during the current year.

3. Business Combinations and Goodwill (A-C)

Not Applicable

4. Discontinued Operations

Not Applicable

5. Investments (A-G)

A. Mortgage Loans, including Mezzanine Real Estate Loans
The Company had no investments in mortgage loans or mezzanine real estate loans.

B. Debt Restructuring
The Company had no restructured debt invested assets.

C. Reserve Mortgages

D. Loan Backed Securities

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

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

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

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

E. Repurchase Agreements and/or Securities Lending Transactions
The Company has no repurchase agreements as December 31, 2010.

F. Real Estate
Not applicable

G. Low-Income Housing Tax Credits
Not applicable

6. Joint Ventures, Partnerships and Limited Liabilities Companies (A-B)

Not Applicable

7. Investment Income

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

B. Amounts Non-Admitted

NOTES TO FINANCIAL STATEMENTS

Not Applicable

8. Derivative Instruments (A-F)
Not Applicable

9. Income Taxes

A. Components of the Admitted Net Deferred Tax Asset:

	As of 12/31/10	As of 12/31/09
Total gross deferred tax assets	$ 4,021,819	$ 17,215,818
Total deferred tax liabilities	(326,945)	(3,023,108)
Net deferred tax asset	3,694,874	14,192,711
Non-admitted deferred tax asset	3,694,874	14,192,711
Admitted net deferred tax asset	-	-
Increase(decrease) in net gross deferred tax asset	(10,497,837)	(992,472)
Increase (decrease) in non-admitted gross deferred tax assets	(10,497,837)	(992,472)

B. Not applicable

C. Significant Components of Income Taxes Incurred and Changes in Deferred Taxes

	As of 12/31/10	As of 12/31/09
Current year estimated federal income tax expense (benefit) - Intercompany	$ (3,075,106)	$ (924,707)
Total current federal income tax expense	$ (3,075,106)	$ (924,707)

Deferred Taxes: Gross Deferred Tax Assets and Liabilities	As of 12/31/10	As of 12/31/09
Loss Reserve discount	$ 3,147,079	$ 4,869,040
Net Operating Loss carryforward	874,297	12,251,206
Foreign exchange	0	95,572
Other Miscellaneous Adjustments	443	
Total gross deferred tax assets	$ 4,021,819	$ 17,215,818
Retroactive reinsurance recoverable	(326,945)	(3,014,326)
Marketable securities	-	(8,782)
Total gross deferred tax liabilities	(326,945)	(3,023,108)
Net deferred tax asset	$ 3,694,874	$ 14,192,711

D. Reconciliation of Expected to Actual Current Federal Income Tax Expense

Tax Expense - Current	As of 12/31/10	As of 12/31/09
Statutory Income - pre-tax	$ (832,014)	$ (2,550,020)
Loss reserve discount	(5,064,593)	(2,811,676)
Market discount		(17,999)
Retroactive reinsurance recoverable	7,904,061	3,536,168
Prior Period Adjustments	0	1,930,030
Market discount - reversed on sales	25,552	22,297
Net operating loss carryforward	(2,033,006)	(108,800)
Net taxable Income (loss)	$ -	$ -
Current tax benefit - due from affiliates	(3,075,105)	(1,077,949)
Current income tax expense (Benefit)	(3,075,105)	(1,077,949)

E. The Company incurred net operating losses while part of the consolidated group. However, upon Virginia Holdings Co acquisition of Seaton these Net operating losses are greatly restricted.

F. Consolidated Federal Income Tax Return Filing and Income Tax Allocation Agreement:
As of 12/31/10, the Company is not part of a consolidated tax group and does not have a tax sharing agreement

10. Information Concerning Parent, Subsidiaries and Affiliates

A. Nature of Relationships
On August 3, 2010, Virginia Holdings Ltd acquired 100% of the share capital of Seaton Insurance Co. Virginia Holdings Ltd is ultimately owned by Enstar Group Ltd. Enstar (US) Inc., also a subsidiary of Enstar Group Ltd has been the Run-off

NOTES TO FINANCIAL STATEMENTS

Administrator for Seaton Insurance Company since January 2006. The terms of the agreement between Enstar (US) Inc and Seaton Insurance Co are contained in a written agreement between the parties.

B. Detail of Transactions Greater than ½% of Admitted Assets
Pursuant to the management agreement with Enstar (US) Inc., the Company incurred $1,400,000 in fees and miscellaneous expense.

C. Change in terms of Intercompany Arrangements
Effective April 7, 2010, Seaton entered into a retroactive reinsurance agreement with Fitzwilliam Reinsurance Co. Both Seaton Insurance Co. and Fitzwilliam Reinsurance Co. are ultimately owned by Enstar Group Ltd.

D. Amounts Due to or from Related Parties
$560,000 is due to Enstar (US) Inc. for 2010 management fees.

E. Guarantees or Contingencies for related parties
Not Applicable

F. Related Parties Management Agreement
See note 10A.

G. Nature of Relationships that Could Affect Operations
All outstanding shares of the Company are owned by the Parent

H. Amount Deducted for Investment in Upstream Company
The Company owns no shares of an upstream intermediate or ultimate parent, either directly or indirectly.

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets
The Company holds no investments in its Parent or affiliates.

J. Write down for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies
The Company holds no investments in its Parent or affiliates.

K. Foreign Subsidiary Valued Using CARVM
Not applicable

L. Downstream Holding Company Valued Using Look-Through Method
Not applicable

11. Debt

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

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans (A-F)

A. Defined Benefit Plan
The Company had no Defined benefit plan.

B. Defined Contribution Plan
The Company had no Defined Contribution Plan

C. Multiemployer Plans
The Company does not participate in a multiemployer plan.

D. Consolidated / Holding Company Plans
The Company does not participate in a consolidated/holding company plan.

E. Postemployment Benefits and Compensated Absences
The Company has no employees and had no obligation for postemployment benefits or compensated absences.

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)
The Company had no postretirement benefits.

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

A. Outstanding Shares
The Company has been authorized to issue five hundred fifty thousand (550,000) shares of preferred stock of ten dollars ($10.00) par value and none are outstanding. The Company has one million (1,000,000) shares of thirteen dollars ($13) par value common stock authorized and two hundred thousand (200,000) shares issued and outstanding.

B. Dividend Rate of Preferred Stock
The Company has no preferred stock issued or outstanding.

C, D & E – Dividend Restrictions
Dividends on common stock are paid as declared by the Board of Directors. Under the insurance regulations of Rhode Island, the maximum amount of dividends that the Company may pay to the shareholders in a twelve month period is limited to the lesser of the 10% of the most recent year-end policyholders' surplus or the net income for that same year-end

F. Mutual Surplus Advances
Not Applicable

G. Company Stock Held for Special Purposes
Not Applicable

H. Changes in Special Surplus Funds
Not Applicable

I. Changes in Unassigned Funds
The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is $150,124.

J. Surplus Notes
Not Applicable

K. Foreign Subsidiary Valued Using CARVM
Not Applicable

L. & M. Quasi Reorganizations
Not Applicable

14. Contingencies

A. Contingent Commitments
Not Applicable

B. Assessments
Not Applicable

C. Gain Contingencies
Not Applicable

D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits
In the 2010 reporting period, the company did not settle any claims that included extra contractual obligation or bad faith claims stemming from lawsuits.

NOTES TO FINANCIAL STATEMENTS

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-B)
A. Lessee Operating Lease
The Company does not have any material lease obligations at this time.
B. Lessor Leases
The Company had not entered into any leasing arrangement where the company is the lessor.

16. Information About Financial Instruments With Off- Balance Sheet Risk and Financial Instruments With Concentration of Credit Risk (A-D)
Not Applicable

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

A. Transfers of Receivables Reported as Sales
The Company did not have any transfers of receivables reported as sales
B. Transfer and Servicing of Financial Assets
The Company had no transfer or servicing of financial assets.
C. Wash Sales
The Company did not have any wash sales.

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

A. Administrative Services Only (ASO) Plans
Not applicable
B. Administrative Services Contract (ASC) Plans
Not applicable
C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract
Not applicable

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators
The Company had no direct premiums written by third party administrators or managing general agents.

20. Other Items
A. Extraordinary items
Not Applicable
B. Troubled Debt Restructuring
Not Applicable
C. Other Disclosures
Not Applicable
D. Uncollectible Premium Receivable
Not Applicable
E. Business Interruption Insurance Recoveries
Not Applicable
F. State Transferable Tax Credits
Not Applicable
G. Subprime Mortgage Related Risk Exposure
(1) The Company believes it has minimal exposure to subprime mortgage related risk. The Company holds no mortgage-backed securities other than securities issued by government-sponsored entities ("GSEs") organized or chartered by the U.S. government. None of the Company's holdings of mortgage-backed securities were issued by private entities.

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

(2) The Company has no direct exposure to subprime mortgage related risk through investments in subprime mortgage loans.

(3) The Company has no direct exposure to subprime mortgage related risk through other investments.

(4) The Company does not provide mortgage guaranty or financial guaranty insurance coverage. Therefore, it has no exposure to subprime mortgage related risk through the provision of such insurance.

21. Events Subsequent

Not Applicable

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

NAIC Code	Federal ID	Company	Amount (000 Omitted)
33014	75-0784127	Transport Insurance Company	365
22667	95-2371728	Ace American	1,744
00000	AA-2230425	Instituto De Resseguros	413
22039	13-2673100	General Reinsurance Corp	463
31089	86-0274508	Republic Western	517
00000	AA-1120330	Chiyoda Fire & Marine Ltd.	584
00000	AA-1580065	Nissan Fire & Marine	649
19720	52-2048110	American Alternative Insurance Corp	686
00000	AA-1120355	CX Reins Co. Ltd	882

NOTES TO FINANCIAL STATEMENTS

20281	13-1963496	Federal Insurance Company	900
34835	13-1988169	National Reinsurance	956
35289	13-5010440	Continental Ins Co.	966
00000	AA-1120580	Excess Ins Co Ltd	1,056
22047	13-2930109	North Star Reinsurance Corporation	1,350
26921	22-2005057	Everest Reinsurance Company	1,445
25364	13-1675535	Swiss Re	2,930
00000	AA-1122000	Lloyds	3,280
13331	41-0299900	American Hardware/Cal Re	4,651
20583	13-1290712	XL Re	4,941
23680	47-0698507	Odyssey Re	4,871
27189	95-2769926	Associated International Ins Co	5,875
26220	94-1590201	Yosemite	9,614
25747	91-6027360	Unigard Insurance Company	34,698
Total			83,836

B. Reinsurance Recoverable in Dispute

Reinsurers that exceeds 5% of surplus are identified below.

Name of the Reinsurer	Total amount in Dispute (000 Omitted)	Statues of Dispute
LLOYDS	710	Various - In Arbitration/Litigation
National Reinsurance	954	GAP
American Hardware/Cal Re	2,075	Various - In Arbitration/Litigation
Odyssey Re	2,241	Various - In Arbitration/Litigation
Yosemite	2,374	Various - In Arbitration/Litigation

The Company's disputed items in the aggregate exceed 10% of surplus.

Name of the Reinsurer	Total amount in Dispute (000 Omitted)	Statues of Dispute
National Reinsurance	954	GAP
American Hardware/Cal Re	2,075	Various - In Arbitration/Litigation
Odyssey Re	2,241	Various - In Arbitration/Litigation
Yosemite	2,374	Various - In Arbitration/Litigation

C. Reinsurance Assumed and Ceded

There is no amount of return commission due reinsurers if the agreements were cancelled as of December 31, 2010. The Company had no additional or return commissions predicated on loss experience or any other form of profit sharing arrangements included in this annual statement as a result of existing contractual arrangements. All contracts of reinsurance covering losses that have occurred prior to the inception of the contract (i.e. retroactive reinsurance) have been accounted for in conformity with NAIC guidelines.

D. Uncollectible Reinsurance

The company has written off certain Reinsurance Recoverables on loss and loss adjustment expense payments in the amount of $307,987, which is reflected as:

a. Losses Incurred	$ 198,460
b. Loss Adjustment Expenses Incurred	$ 109,527
c. Premiums Earned	$ 0.00
d. Other	$ 0.00

Reinsurer Name	Grand Total
Associated International Insurance Company	(317)
Allendale Mutual	290
SOUTH BRITISH INSURANCE CO LTD	567
National Reinsurance	6,560
Service Fire Insurance Company North America	16,572
Yosemite	86,423
LLOYDS	197,893
Grand Total	307,987

E. Commutation of Ceded Reinsurance

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

Reinsurer Name	Ceded Reserve	Ceded Recoverable
Commercial Union Insurance Company	334,176.41	281,698.71
Constitution Reinsurance Company	1,173.42	-
General Accident Corp of America	50,361.07	17,834.41
Gothaer Versicherungsbank AG	11,541.66	37,587.63
Hudson Reinsurance Co. Ltd.	41,967.57	(591.38)
Mitsui Fire & Marine Ins. Co. Ltd	-	334,040.48
Mitsui Sumitomo Insurance Company Ltd	238,155.14	-
Munich Reinsurance Company	1,173.37	13,841.91
New Zealand Ins Co (UK) Ltd	4,766.41	16,765.27

NOTES TO FINANCIAL STATEMENTS

American Bankers Insurance Company	101,779.44	138,517.55
Chiyoda F&M	41,657.25	48,204.75
Daiichi F&M	16,037.82	24,319.18
South British Insurance Co Ltd	7,603.13	25,451.34
Sumitomo Marine & Fire Ins Co Ltd	17,732.98	62,079.92
Unionamerica Ins Co Ltd	1,225,650.17	1,272,917.91
Grand Total	2,093,775.84	2,272,667.68

F. Retroactive Reinsurance

On December 3, 2009, Columbia Insurance Company, an indirect subsidiary of Berkshire Hathaway Inc. and an affiliate of National Indemnity Company ("NICO") entered into a stock purchase agreement with Stonewall Acquisition Corporation and certain of its affiliates to acquire all of the outstanding capital stock of Stonewall Insurance Company from Stonewall Acquisition Corporation. Seaton was also owned by Stonewall Acquisition Corp. The sale transaction closed on April 7, 2010. In conjunction with this sale transaction, the aggregate reinsurance agreements between Seaton and NICO were commuted on April 7, 2010. The commutation proceeds will be paid by NICO to the Company over a five-year period under the terms of a Promissory Note. Concurrent with this commutation, the Company entered into a retroactive reinsurance agreement with Fitzwilliam Insurance Ltd, an affiliate of Enstar Group Limited.

	Assumed	Ceded
1. Reserve Transferred		
1. Initial Reserves		23,000,000
2. Adjustments - Prior Year(s)	NONE	
3. Adjustments - Current Year		(10,860,548)
4. Current Total		12,139,452
2. Consideration Paid or Received		
1. Initial Consideration		23,000,000
2. Adjustments - Prior Year(s)		
3. Adjustments - Current Year	NONE	-
4. Current Total		23,000,000
3. Paid Losses Reimbursed or Recovered		
1. Prior Years(s)		0
2. Current Year	NONE	0
3. Current Total		0
4. Special Surplus from Retroactive Reinsurance		
1. Initial Surplus Gain/(Loss)		0
2. Adjustments - Prior Year(s)		0
3. Adjustments - Current Year	NONE	0
4. Current Year Restricted Surplus		0
5. Cumulative Total Transferred to Unassigned Funds		0

5. Cedants and Reinsurers Involved in Transaction included in Section F, Above

Assumed		Ceded	
Company	Amount	Company	Amount
None		Fitzwilliam Re	12,139,452

6. List Total Paid Loss/LAE amounts recoverable and amounts more than 90 days overdue and collateral held as respects amounts recoverable from unauthorized reinsurers:

Authorized Reinsurers

NONE

Unauthorized Reinsurers

NONE

G. Reinsurance Accounted for as a Deposit
Not Applicable

23. Retrospectively Rated Contracts (A-D)
Not Applicable

24. Changes in Incurred Losses and Loss Adjustment Expenses
Due to the run-off status of the Company, all incurred changes are attributable to insured events of the prior years. Net reserves for incurred losses and allocated loss adjustment expenses attributable to insured events of prior years has decreased by $40,341,982 from $148,606,585 in 2009 to $108,264,603 in 2010 as a result of policy buy backs, commutation settlements and reserve re-estimation of unpaid losses and loss adjustment expenses on “Other Liability” and “Product Liability” lines of business. This long tail business is primarily related to Asbestos, Environment, Mass Tort and some Assumed business. The company has various reinsurance programs for loss activity either through

NOTES TO FINANCIAL STATEMENTS

standard XOL reinsurance programs and Quota Share treaties. In addition to this coverage, retroactive reinsurance coverage was purchased in 2010 providing adverse develeopment protection.

25. Intercompany Pooling Arrangements (A-F)
Not Applicable

26. Structured Settlements
Not Applicable

27. Health Care Receivables (A-B)
Not Applicable

28. Participating Accident and Health Policies
Not Applicable

29. Premium Deficiency Reserves
Not Applicable

30. High Deductibles
Not Applicable

31. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses
Not Applicable

32. Asbestos/Environmental Reserves
Yes, the Company has exposure to both asbestos and environmental claims

Asbestos:

Direct

	2006	2007	2008	2009	2010
Beginning Reserves	$ 120,016,000	$ 86,141,958	$ 97,331,923	$ 96,189,764	$ 69,852,824
Incurred Loss and LAE	17,355,459	17,336,225	4,175,697	(23,116,633)	(16,338,982)
Calendar Year Pymnts for Loss and LAE	51,229,501	6,146,260	5,317,856	3,220,307	21,784,457
Ending Reserves	$ 86,141,958	$ 97,331,923	$ 96,189,764	$ 69,852,824	$ 31,729,385

The 2010 ending reserves above include a gross bulk reserve of $5,615,680. The bulk reserve is a contingency for adverse development on known cases, unreported cases and allocated loss adjustment expense including coverage dispute. The bulk reserves are derived by independent actuarial studies.

Assumed

	2006	2007	2008	2009	2010
Beginning Reserves	$ 97,043,000	$ 80,930,703	$ 71,489,888	$ 72,191,061	$ 63,013,306
Incurred Loss and LAE	(7,264,675)	3,482,137	13,001,550	23,229,791	(9,487,189)
Calendar Year Pymnts for Loss and LAE	8,847,622	12,922,952	12,300,377	32,407,546	3,406,555
Ending Reserves	$ 80,930,703	$ 71,489,888	$ 72,191,061	$ 63,013,306	$ 50,119,562

The 2010 ending reserves above include a gross bulk reserve of $27,383,000. The bulk reserve is a contingency for adverse development on known cases, unreported cases and allocated loss adjustment expense including coverage dispute. The bulk reserves are derived by independent actuarial studies.

Net of Reinsurance

	2006	2007	2008	2009	2010
Beginning Reserves	$ 101,716,000	$ 78,058,506	$ 67,667,915	$ 73,279,855	$ 84,118,336
Incurred Loss and LAE	2,042,820	946,656	14,207,608	22,011,736	(17,922,079)
Calendar Year Pymnts for Loss and LAE	25,700,314	11,337,247	8,595,668	11,173,255	13,279,702
Ending Reserves	$ 78,058,506	$ 67,667,915	$ 73,279,855	$ 84,118,336	$ 52,,916,555

The 2010 ending reserves above include a gross bulk reserve of $21,600,354. The bulk reserve is a contingency for adverse development on known cases, unreported cases and allocated loss adjustment expense including coverage dispute. The bulk reserves are derived by independent actuarial studies. The net reserves to not reflect the 1999 purchase of retroactive reinsurance which is reflected in the balance sheet and income statement.

Environmental

NOTES TO FINANCIAL STATEMENTS

Direct

	2006	2007	2008	2009	2010
Beginning Reserves	$ 20,072,000	$ 36,861,352	$ 30,516,867	$ 29,782,245	$ 6,358,875
Incurred Loss and LAE	19,257,384	(1,102,870)	3,683,667	(18,416,294)	2,988,545
Calendar Year Pymnts for Loss and LAE	2,468,032	5,241,615	4,418,289	5,007,076	6,656,219
Ending Reserves	$ 36,861,352	$ 30,516,867	$ 29,782,245	$ 6,358,875	$ 2,691,201

The 2010 ending reserves above include a gross bulk reserve of $488,320. The bulk reserve is a contingency for adverse development on known cases, unreported cases and allocated loss adjustment expense including coverage dispute. The bulk reserves are derived by independent actuarial studies.

Assumed

	2006	2007	2008	2009	2010
Beginning Reserves	$ 16,891,000	$ 13,726,720	$ 6,825,428	$ 6,318,579	$ 8,049,480
Incurred Loss and LAE	(2,596,319)	(5,550,111)	(388,374)	5,296,986	2,114,165
Calendar Year Pymnts for Loss and LAE	567,961	1,351,181	118,475	3,566,085	1,904,864
Ending Reserves	$ 13,726,720	$ 6,825,428	$ 6,318,579	$ 8,049,480	$ 8,258,781

The 2010 ending reserves above include a gross bulk reserve of $2,535,000. The bulk reserve is a contingency for adverse development on known cases, unreported cases and allocated loss adjustment expense including coverage dispute. The bulk reserves are derived by independent actuarial studies.

Net of Reinsurance

	2006	2007	2008	2009	2010
Beginning Reserves	$ 18,424,000	$ 27,248,955	$ 14,728,579	$ 14,394,466	$ 12,920,587
Incurred Loss and LAE	9,694,208	(8,880,619)	611,404	5,555,769	2,597,330
Calendar Year Pymnts for Loss and LAE	869,253	3,639,757	945,517	7,029,648	7,969,924
Ending Reserves	$ 27,248,955	$ 14,728,579	$ 14,394,466	$ 12,920,587	$ 7,547,993

The 2010 ending reserves above include a gross bulk reserve of $1,055,599. The bulk reserve is a contingency for adverse development on known cases, unreported cases and allocated loss adjustment expense including coverage dispute. The bulk reserves are derived by independent actuarial studies. The net reserves to not reflect the 1999 purchase of retroactive reinsurance which is reflected in the balance sheet and income statement.

33. Subscriber Savings Account

Not Applicable

34. Multi Peril Crop

Not Applicable

35. Financial Guarantee Insurance

None

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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

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

1.3 State Regulating? ..... Rhode Island

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

2.2 If yes, date of change: .....

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2008

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2008

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). 05/12/2010

3.4 By what department or departments? Rhode Island Department of Business Regulation

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

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

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

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

4.12 renewals? ..... Yes [ ] No [X]

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

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

4.22 renewals? ..... Yes [ ] No [X]

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

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

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

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

6.2 If yes, give full information see attached .....

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 [X] No [ ] NA [ ]

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

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? .....
Ernst and Young, LLP, Mr. John Dawson, 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 [ ] No [X]

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

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 [ ] No [X]

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

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 ..... $.....
- 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 ..... $ 4,167,002
- 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 [ ]
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
Wells Fargo	100 N. Main St., Winston-Salem, NC 27150-6732

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 [X] No [ ]

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
Wachovia Bank	Wells Fargo	05/31/2010	Merger

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

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	12,627,000	13,358,436	731,436
29.2 Preferred Stocks	0		0
29.3 Totals	12,627,000	13,358,436	731,436

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

SVO unit prices were used to determine FMV. For other Bonds and Stocks not priced by SVO, the Company used price provided by interactive data and/or price provided by the custodian.

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 [X] No [ ]

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:

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? $ 12,674

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
Workers Compensation Reinsurance	4,139

33.1 Amount of payments for legal expenses, if any? $ 24,090

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
Drinker Biddle & Reath LLP	7,311
Emmet, Marvin & Martin	6,758

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

Response to General Interrogatories Part 1 # 6.1

Effective May 29, 2008 the Rhode Island Department of Business Regulation issued a confidential order creating State of Supervision and Appointment of Supervisor. The Company remains under this order of Supervision.

Effective April 30, 2008 Missouri Department of Insurance suspended the Company's Certificate of Authority.

Effective May 29, 2008 Arkansas Insurance Department suspended the Company's Certificate of Authority due to domiciliary state placing company into administrative supervision.

Effective April 13, 2009 the Company surrendered its Certificate of authority for the State of Maine.

Effective April 20, 2009 the Commonwealth of Virginia suspended the Company's license.

Effective May 18, 2009 the company agreed to a two year suspension of its Certificate of Authority by the State of Tennessee.

Effective October 15, 2010 the State of Illinois, Department of Insurance revoked the Company's Certificate of Authority.

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	$ 2,431	$ 4,674
2.3	Premium Ratio (2.1/2.2)	0.000	0.000
2.4	Reserve Numerator	$ 0	$ 0
2.5	Reserve Denominator	$ 127,102,343	$ 165,079,616
2.6	Reserve Ratio (2.4/2.5)	0.000	0.000

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

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

3.21 Participating policies ..... $

3.22 Non-participating policies ..... $

4. For Mutual reporting entities and Reciprocal Exchanges only:

4.1 Does the reporting entity issue assessable policies? ..... Yes [ ] No [ ]

4.2 Does the reporting entity issue non-assessable policies? ..... Yes [ ] No [ ]

4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? ..... %

4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums ..... $

5. For Reciprocal Exchanges Only:

5.1 Does the exchange appoint local agents? ..... Yes [ ] No [ ]

5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation ..... Yes [ ] No [ ] NA [ ]

5.22 As a direct expense of the exchange ..... Yes [ ] No [ ] NA [ ]

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

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

5.5 If yes, give full information

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

The Company is in run-off and has no inforce policies, therefore has no need for new reinsurance agreements.

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

Not Applicable

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

Not Applicable

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

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

The Company is in run-off and has no need for catastrophic reinsurance protection.

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

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

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

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

8.2 If yes, give full information

The Company commuted ceded reinsurance treaty with four cedants. See list in note 22E.

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

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

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

(c) Aggregate stop loss reinsurance coverage;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

11.2 If yes, give full information

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 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 [X]

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

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

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:

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

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

14.5 If 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)	0	0	0	0	0
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	2,422	4,674	(9,844)	906	14,416
6. Total (Line 35)	2,422	4,674	(9,844)	906	14,416
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	2,431	4,674	(9,844)	906	13,815
12. Total (Line 35)	2,431	4,674	(9,844)	906	13,815
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	8,722,974	(4,136,151)	(23,199,224)	(13,840,220)	(15,944,016)
14. Net investment gain (loss) (Line 11)	1,394,423	1,613,135	2,227,232	2,419,811	2,513,014
15. Total other income (Line 15)	(10,949,412)	(27,005)	6,777	6,367,017	13,618,453
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	(3,075,106)	(1,077,949)	356,191	0	0
18. Net income (Line 20)	2,243,091	(1,472,072)	(21,321,407)	(5,053,392)	187,451
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	133,359,070	83,703,701	77,061,627	77,466,694	79,479,626
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	0	0	0	0	0
20.2 Deferred and not yet due (Line 15.2)	0	0	0	0	0
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	123,849,082	77,690,135	73,732,886	52,362,146	39,449,177
22. Losses (Page 3, Line 1)	102,841,910	135,234,583	137,865,041	166,062,120	188,361,874
23. Loss adjustment expenses (Page 3, Line 3)	14,008,884	23,117,893	28,224,079	30,800,883	28,308,732
24. Unearned premiums (Page 3, Line 9)	0	0	0	0	0
25. Capital paid up (Page 3, Lines 30 & 31)	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
26. Surplus as regards policyholders (Page 3, Line 37)	9,509,988	6,013,564	3,328,744	25,104,546	40,030,452
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	(31,062,149)	(16,466,399)	(45,459,094)	(29,612,135)	(50,809,870)
Risk-Based Capital Analysis					
28. Total adjusted capital	9,509,988	6,013,564	3,328,744	25,104,546	40,030,452
29. Authorized control level risk-based capital	24,944,790	31,152,621	33,695,139	33,214,535	35,957,817
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)	29.3	62.8	81.5	73.7	68.1
31. Stocks (Lines 2.1 & 2.2)	0.0	0.0	0.0	0.0	0.0
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)	70.7	37.2	18.4	26.3	31.9
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)	0.0	0.0	0.0	0.0	0.0
38. Receivables for securities (Line 9)	0.0	0.0	0.0	0.0	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)	0	0	0	0	0
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	0	0	0	0	0
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)	0.0	0.0	0.0	0.0	0.0

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)	150,124	(155,922)	5,821	(304)	139,766
51. Dividends to stockholders (Line 35)	0	0	0	0	0
52. Change in surplus as regards policyholders for the year (Line 38)	3,496,423	2,684,819	(21,775,803)	(14,925,906)	(116,511)
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)	33,498,776	8,454,373	12,450,010	14,542,289	38,027,660
54. Property lines (Lines 1, 2, 9, 12, 21 & 26)	(41,575)	(1,454)	(6,549)	(7,323)	(5,897)
55. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	349,068	798,534	(1,860,791)	633,004	302,557
56. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	(22)	(36)	(68)	0
57. Nonproportional reinsurance lines (Lines 31, 32 & 33)	8,931,649	46,061,153	40,286,609	21,405,727	13,174,194
58. Total (Line 35)	42,737,919	55,312,584	50,869,243	36,573,629	51,498,514
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)	20,142,220	(33,980,176)	7,293,113	8,127,902	14,247,011
60. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
61. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
62. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
63. Nonproportional reinsurance lines (Lines 31, 32 & 33)	5,555,826	34,135,285	35,938,642	17,640,411	10,871,514
64. Total (Line 35)	25,698,047	155,108	43,231,756	25,768,313	25,118,525
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)	(275,385.7)	(52,962.3)	(152,729.3)	382,746.0	62,824.1
67. Loss expenses incurred (Line 3)	(136,129.6)	117,310.9	(59,671.3)	886,330.7	42,193.4
68. Other underwriting expenses incurred (Line 4)	52,792.7	24,247.9	(23,168.0)	258,253.8	10,489.9
69. Net underwriting gain (loss) (Line 8)	358,822.5	(88,496.5)	235,668.7	(1,527,230.4)	(115,407.5)
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)	503,200.5	24,825.7	(23,099.2)	(444,329.1)	(88,084.4)
71. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	(411,515.2)	64,348.7	(212,400.7)	1,269,076.7	105,017.6
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)	0.0	0.1	(0.3)	0.0	0.0
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)	(10,768)	2,632	18,700	9,319	13,725
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)	(179.1)	79.1	74.5	23.3	34.2
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)	(8,136)	21,331	28,018	23,044	49,175
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)	(244.4)	85.0	70.0	57.4	88.2

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
				Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	Number of Claims Reported - Direct and Assumed
1. Prior	XXX	XXX	XXX	42,738	17,040	5,658	1,782	1,924	0	0	31,498	XXX
2. 2001	11	1	10	0	0	0	0	0	0	0	0	XXX
3. 2002	37	1	36	0	0	0	0	0	0	0	0	XXX
4. 2003	3	1	2	0	0	0	0	0	0	0	0	XXX
5. 2004	30	2	28	0	0	0	0	0	0	0	0	XXX
6. 2005	2	1	1	0	0	0	0	0	0	0	0	XXX
7. 2006	14	1	14	0	0	0	0	0	0	0	0	XXX
8. 2007	1	0	1	0	0	0	0	0	0	0	0	XXX
9. 2008	(10)	0	(10)	0	0	0	0	0	0	0	0	XXX
10. 2009	5	0	5	0	0	0	0	0	0	0	0	XXX
11. 2010	2	0	2	0	0	0	0	0	0	0	0	XXX
12. Totals	XXX	XXX	XXX	42,738	17,040	5,658	1,782	1,924	0	0	31,498	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			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded	Salvage and Subrog-ation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstand-ing - Direct and Assumed
1.	83,598	29,793	86,011	36,974	5,562	139	931	931	8,586	0	0	116,851	XXX
2.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
3.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
4.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
5.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
7.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
8.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
9.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
10.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
11.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
12. Totals	83,598	29,793	86,011	36,974	5,562	139	931	931	8,586	0	0	116,851	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	102,842	14,009
2.	0	0	0	0.0	0.0	0.0	0	0		0	0
3.	0	0	0	0.0	0.0	0.0	0	0		0	0
4.	0	0	0	0.0	0.0	0.0	0	0		0	0
5.	0	0	0	0.0	0.0	0.0	0	0		0	0
6.	0	0	0	0.0	0.0	0.0	0	0		0	0
7.	0	0	0	0.0	0.0	0.0	0	0		0	0
8.	0	0	0	0.0	0.0	0.0	0	0		0	0
9.	0	0	0	0.0	0.0	0.0	0	0		0	0
10.	0	0	0	0.0	0.0	0.0	0	0		0	0
11.	0	0	0	0.0	0.0	0.0	0	0		0	0
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	102,842	14,009

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	2	3	4	5	6	7	8	9	10	11	12
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	One Year	Two Year
1. Prior	154,273	186,975	226,536	256,054	291,504	305,229	314,548	333,247	335,879	325,111	(10,768)	(8,136)
2. 2001	0	0	0	0	0	0	0	0	0	0	0	0
3. 2002	XXX	0	0	0	0	0	0	0	0	0	0	0
4. 2003	XXX	XXX	0	0	0	0	0	0	0	0	0	0
5. 2004	XXX	XXX	XXX	0	0	0	0	0	0	0	0	0
6. 2005	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0	0
7. 2006	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0
8. 2007	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0
9. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
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	(10,768)	(8,136)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010		
1. Prior	000	12,530	26,466	42,476	67,466	102,171	129,967	178,228	187,273	216,847	XXX	XXX
2. 2001	0	0	0	0	0	0	0	0	0	0	XXX	XXX
3. 2002	XXX	0	0	0	0	0	0	0	0	0	XXX	XXX
4. 2003	XXX	XXX	0	0	0	0	0	0	0	0	XXX	XXX
5. 2004	XXX	XXX	XXX	0	0	0	0	0	0	0	XXX	XXX
6. 2005	XXX	XXX	XXX	XXX	0	0	0	0	0	0	XXX	XXX
7. 2006	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	XXX	XXX
8. 2007	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	XXX	XXX
9. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	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	2	3	4	5	6	7	8	9	10
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
1. Prior	64,954	83,329	91,501	98,794	112,845	92,988	78,288	63,990	58,633	49,036
2. 2001	0	0	0	0	0	0	0	0	0	0
3. 2002	XXX	0	0	0	0	0	0	0	0	0
4. 2003	XXX	XXX	0	0	0	0	0	0	0	0
5. 2004	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2005	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2006	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2007	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
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	N	0	0	0	0	45,457	65,210	0	
2. Alaska AK	N	0	0	0	0	0	0	0	
3. Arizona AZ	L	0	0	0	362,101	128,993	2,795,708	0	
4. Arkansas AR	L	0	0	0	0	153,014	178,669	0	
5. California CA	L	0	0	0	7,570,329	(725,152)	27,319,863	0	
6. Colorado CO	L	0	0	0	0	(33,536)	131,089	0	
7. Connecticut CT	L	0	0	0	0	61,837	458,956	0	
8. Delaware DE	L	0	0	0	0	0	0	0	
9. Dist. of Columbia DC	L	0	0	0	14,681	0	78,145	0	
10. Florida FL	N	0	0	0	390	1,045,767	4,796,555	0	
11. Georgia GA	N	0	0	0	0	0	0	0	
12. Hawaii HI	N	0	0	0	0	(275)	0	0	
13. Idaho ID	L	0	0	0	0	0	35,195	0	
14. Illinois IL	N	0	0	0	8,014,892	(2,212,171)	9,760,380	0	
15. Indiana IN	L	0	0	0	0	0	0	0	
16. Iowa IA	N	0	0	0	0	0	0	0	
17. Kansas KS	L	0	0	0	0	0	0	0	
18. Kentucky KY	N	0	0	0	0	0	0	0	
19. Louisiana LA	N	0	0	0	0	0	0	0	
20. Maine ME	N	0	0	0	4,350	1,450	24,016	0	
21. Maryland MD	L	0	0	0	310	(3,073)	0	0	
22. Massachusetts MA	L	0	0	0	0	0	0	0	
23. Michigan MI	L	0	0	0	4,100,000	(1,242,045)	0	0	
24. Minnesota MN	L	0	0	0	0	165,887	2,977,343	0	
25. Mississippi MS	N	0	0	0	0	0	0	0	
26. Missouri MO	L	0	0	0	0	0	0	0	
27. Montana MT	L	0	0	0	0	(211)	4,369	0	
28. Nebraska NE	N	0	0	0	0	0	0	0	
29. Nevada NV	N	0	0	0	0	0	0	0	
30. New Hampshire NH	L	0	0	0	0	0	0	0	
31. New Jersey NJ	N	0	0	0	89,689	490,256	1,011,630	0	
32. New Mexico NM	N	0	0	0	0	0	0	0	
33. New York NY	L	0	0	0	242,154	998,689	5,013,453	0	
34. No. Carolina NC	L	0	0	0	(875)	(875)	0	0	
35. No. Dakota ND	N	0	0	0	0	0	0	0	
36. Ohio OH	L	0	0	0	0	0	0	0	
37. Oklahoma OK	L	0	0	0	0	0	0	0	
38. Oregon OR	L	0	0	0	100,843	114,363	1,737,979	0	
39. Pennsylvania PA	L	0	0	0	10,810,402	(4,199,412)	11,415,514	0	
40. Rhode Island RI	L	0	0	0	0	0	0	0	
41. So. Carolina SC	N	0	0	0	0	0	0	0	
42. So. Dakota SD	N	0	0	0	0	0	0	0	
43. Tennessee TN	L	0	0	0	0	0	0	0	
44. Texas TX	L	0	0	0	76,158	238,226	878,559	0	
45. Utah UT	L	0	0	0	2,030	(73,946)	249,556	0	
46. Vermont VT	N	0	0	0	0	0	0	0	
47. Virginia VA	L	0	0	0	0	0	0	0	
48. Washington WA	L	0	0	0	343,815	(1,252,401)	8,459,055	0	
49. West Virginia WV	N	0	0	0	0	0	0	0	
50. Wisconsin WI	L	0	0	0	2,075,000	(4,082,379)	0	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	Q	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	L	0	0	0	0	0	0	0	
58. Aggregate other alien OT	XXX	0	0	0	0	0	0	0	0
59. Totals	(a) 30	0	0	0	33,806,269	(10,381,536)	77,391,246	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.

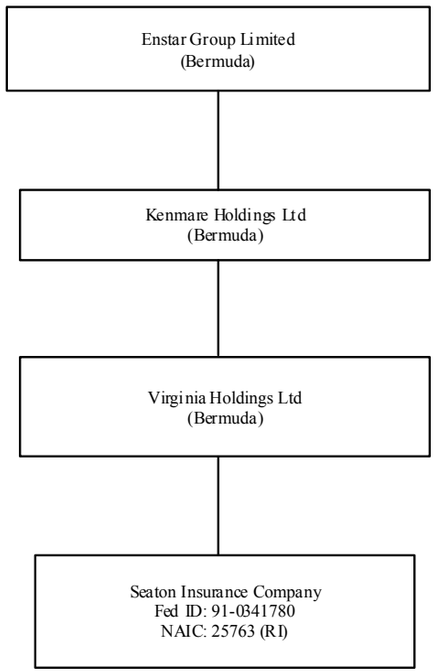
Explanation of basis of allocation of premiums by states, etc.

(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

Organization Chart at December 31, 2010



ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

Assets	2
Cash Flow	5
Exhibit of Capital Gains (Losses)	12
Exhibit of Net Investment Income	12
Exhibit of Nonadmitted Assets	13
Exhibit of Premiums and Losses (State Page)	19
Five-Year Historical Data	17
General Interrogatories	15
Jurat Page	1
Liabilities, Surplus and Other Funds	3
Notes To Financial Statements	14
Overflow Page For Write-ins	97
Schedule A – Part 1	E01
Schedule A – Part 2	E02
Schedule A – Part 3	E03
Schedule A – Verification Between Years	SI02
Schedule B – Part 1	E04
Schedule B – Part 2	E05
Schedule B – Part 3	E06
Schedule B – Verification Between Years	SI02
Schedule BA – Part 1	E07
Schedule BA – Part 2	E08
Schedule BA – Part 3	E09
Schedule BA – Verification Between Years	SI03
Schedule D – Part 1	E10
Schedule D – Part 1A – Section 1	SI05
Schedule D – Part 1A – Section 2	SI08
Schedule D – Part 2 – Section 1	E11
Schedule D – Part 2 – Section 2	E12
Schedule D – Part 3	E13
Schedule D – Part 4	E14
Schedule D – Part 5	E15
Schedule D – Part 6 – Section 1	E16
Schedule D – Part 6 – Section 2	E16
Schedule D – Summary By Country	SI04
Schedule D – Verification Between Years	SI03
Schedule DA – Part 1	E17

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

Schedule DA – Verification Between Years SI11
Schedule DB – Part A – Section 1 E18
Schedule DB – Part A – Section 2 E19
Schedule DB – Part A – Verification Between Years SI12
Schedule DB – Part B – Section 1 E20
Schedule DB – Part B – Section 2 E21
Schedule DB – Part B – Verification Between Years SI12
Schedule DB – Part C – Section 1 SI13
Schedule DB – Part C – Section 2 SI14
Schedule DB – Part D E22
Schedule DL – Part 1 E23
Schedule DL – Part 2 E24
Schedule DB – Verification SI15
Schedule E – Part 1 – Cash E25
Schedule E – Part 2 – Cash Equivalents E26
Schedule E – Part 3 – Special Deposits E27
Schedule E – Verification Between Years SI16
Schedule F – Part 1 20
Schedule F – Part 2 21
Schedule F – Part 3 22
Schedule F – Part 4 23
Schedule F – Part 5 24
Schedule F – Part 6 25
Schedule F – Part 7 26
Schedule F – Part 8 27
Schedule H – Accident and Health Exhibit – Part 1 28
Schedule H – Parts – 2, 3, and 4 29
Schedule H – Part 5 – Health Claims 30
Schedule P – Part 1 – Analysis of Losses and Loss Expenses 31
Schedule P – Part 1A – Homeowners/Farmowners 33
Schedule P – Part 1B – Private Passenger Auto Liability/Medical 34
Schedule P – Part 1C – Commercial Auto/Truck Liability/Medical 35
Schedule P – Part 1D – Workers' Compensation 36
Schedule P – Part 1E – Commercial Multiple Peril 37
Schedule P – Part 1F – Section 1 – Medical Professional Liability – Occurrence 38
Schedule P – Part 1F – Section 2 – Medical Professional Liability – Claims-Made 39
Schedule P – Part 1G - Special Liability (Ocean, Marine, Aircraft (All Perils), Boiler and Machinery) 40
Schedule P – Part 1H – Section 1 – Other Liability–Occurrence 41
Schedule P – Part 1H – Section 2 – Other Liability – Claims-Made 42
Schedule P – Part 1I – Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft) 43
Schedule P – Part 1J – Auto Physical Damage 44
Schedule P – Part 1K – Fidelity/Surety 45
Schedule P – Part 1L – Other (Including Credit, Accident and Health) 46
Schedule P – Part 1M – International 47

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

Schedule P – Part 1N – Reinsurance 48
Schedule P – Part 1O – Reinsurance 49
Schedule P – Part 1P – Reinsurance 50
Schedule P – Part 1R – Section 1 – Products Liability – Occurrence 51
Schedule P – Part 1R – Section 2 – Products Liability – Claims – Made 52
Schedule P – Part 1S – Financial Guaranty/Mortgage Guaranty 53
Schedule P – Part 1T – Warranty 54
Schedule P – Part 2, Part 3 and Part 4 - Summary 32
Schedule P – Part 2A – Homeowners/Farmowners 55
Schedule P – Part 2B – Private Passenger Auto Liability/Medical 55
Schedule P – Part 2C – Commercial Auto/Truck Liability/Medical 55
Schedule P – Part 2D – Workers' Compensation 55
Schedule P – Part 2E – Commercial Multiple Peril 55
Schedule P – Part 2F – Section 1 – Medical Professional Liability – Occurrence 56
Schedule P – Part 2F – Section 2 – Medical Professional Liability – Claims – Made 56
Schedule P – Part 2G – Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) 56
Schedule P – Part 2H – Section 1 – Other Liability – Occurrence 56
Schedule P – Part 2H – Section 2 – Other Liability – Claims – Made 56
Schedule P – Part 2I – Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft) 57
Schedule P – Part 2J – Auto Physical Damage 57
Schedule P – Part 2K – Fidelity, Surety 57
Schedule P – Part 2L – Other (Including Credit, Accident and Health) 57
Schedule P – Part 2M – International 57
Schedule P – Part 2N – Reinsurance 58
Schedule P – Part 2O – Reinsurance 58
Schedule P – Part 2P – Reinsurance 58
Schedule P – Part 2R – Section 1 – Products Liability – Occurrence 59
Schedule P – Part 2R – Section 2 – Products Liability – Claims-Made 59
Schedule P – Part 2S – Financial Guaranty/Mortgage Guaranty 59
Schedule P – Part 2T – Warranty 59
Schedule P – Part 3A – Homeowners/Farmowners 60
Schedule P – Part 3B – Private Passenger Auto Liability/Medical 60
Schedule P – Part 3C – Commercial Auto/Truck Liability/Medical 60
Schedule P – Part 3D – Workers' Compensation 60
Schedule P – Part 3E – Commercial Multiple Peril 60
Schedule P – Part 3F – Section 1 –Medical Professional Liability – Occurrence 61
Schedule P – Part 3F – Section 2 – Medical Professional Liability – Claims-Made 61
Schedule P – Part 3G – Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) 61
Schedule P – Part 3H – Section 1 – Other Liability – Occurrence 61
Schedule P – Part 3H – Section 2 – Other Liability – Claims-Made 61
Schedule P – Part 3I – Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft) 62
Schedule P – Part 3J – Auto Physical Damage 62

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

Schedule P – Part 3K – Fidelity/Surety 62
Schedule P – Part 3L – Other (Including Credit, Accident and Health) 62
Schedule P – Part 3M – International 62
Schedule P – Part 3N – Reinsurance 63
Schedule P – Part 3O – Reinsurance 63
Schedule P – Part 3P – Reinsurance 63
Schedule P – Part 3R – Section 1 – Products Liability – Occurrence 64
Schedule P – Part 3R – Section 2 – Products Liability – Claims-Made 64
Schedule P – Part 3S – Financial Guaranty/Mortgage Guaranty 64
Schedule P – Part 3T – Warranty 64
Schedule P – Part 4A – Homeowners/Farmowners 65
Schedule P – Part 4B – Private Passenger Auto Liability/Medical 65
Schedule P – Part 4C – Commercial Auto/Truck Liability/Medical 65
Schedule P – Part 4D – Workers' Compensation 65
Schedule P – Part 4E – Commercial Multiple Peril 65
Schedule P – Part 4F – Section 1 – Medical Professional Liability – Occurrence 66
Schedule P – Part 4F – Section 2 – Medical Professional Liability – Claims-Made 66
Schedule P – Part 4G – Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) 66
Schedule P – Part 4H – Section 1 – Other Liability – Occurrence 66
Schedule P – Part 4H – Section 2 – Other Liability – Claims-Made 66
Schedule P – Part 4I – Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary and Theft) 67
Schedule P – Part 4J – Auto Physical Damage 67
Schedule P – Part 4K – Fidelity/Surety 67
Schedule P – Part 4L – Other (Including Credit, Accident and Health) 67
Schedule P – Part 4M – International 67
Schedule P – Part 4N – Reinsurance 68
Schedule P – Part 4O – Reinsurance 68
Schedule P – Part 4P – Reinsurance 68
Schedule P – Part 4R – Section 1 – Products Liability – Occurrence 69
Schedule P – Part 4R – Section 2 – Products Liability – Claims-Made 69
Schedule P – Part 4S – Financial Guaranty/Mortgage Guaranty 69
Schedule P – Part 4T – Warranty 69
Schedule P – Part 5A – Homeowners/Farmowners 70
Schedule P – Part 5B – Private Passenger Auto Liability/Medical 71
Schedule P – Part 5C – Commercial Auto/Truck Liability/Medical 72
Schedule P – Part 5D – Workers' Compensation 73
Schedule P – Part 5E – Commercial Multiple Peril 74
Schedule P – Part 5F – Medical Professional Liability – Claims-Made 76
Schedule P – Part 5F – Medical Professional Liability – Occurrence 75
Schedule P – Part 5H – Other Liability – Claims-Made 78
Schedule P – Part 5H – Other Liability – Occurrence 77
Schedule P – Part 5R – Products Liability – Claims-Made 80

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

Schedule P – Part 5R – Products Liability – Occurrence 79
Schedule P – Part 5T – Warranty 81
Schedule P – Part 6C – Commercial Auto/Truck Liability/Medical 82
Schedule P – Part 6D – Workers' Compensation 82
Schedule P – Part 6E – Commercial Multiple Peril 83
Schedule P – Part 6H – Other Liability – Claims-Made 84
Schedule P – Part 6H – Other Liability – Occurrence 83
Schedule P – Part 6M – International 84
Schedule P – Part 6N – Reinsurance 85
Schedule P – Part 6O – Reinsurance 85
Schedule P – Part 6R – Products Liability – Claims-Made 86
Schedule P – Part 6R – Products Liability – Occurrence 86
Schedule P – Part 7A – Primary Loss Sensitive Contracts 87
Schedule P – Part 7B – Reinsurance Loss Sensitive Contracts 89
Schedule P Interrogatories 91
Schedule T – Exhibit of Premiums Written 92
Schedule T – Part 2 – Interstate Compact 93
Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group 94
Schedule Y – Part 2 – Summary of Insurer's Transactions With Any Affiliates 95
Statement of Income 4
Summary Investment Schedule SI01
Supplemental Exhibits and Schedules Interrogatories 96
Underwriting and Investment Exhibit Part 1 6
Underwriting and Investment Exhibit Part 1A 7
Underwriting and Investment Exhibit Part 1B 8
Underwriting and Investment Exhibit Part 2 9
Underwriting and Investment Exhibit Part 2A 10
Underwriting and Investment Exhibit Part 3 11