* 1 2 4 8 7 2 0 1 1 2 0 1 0 0 1 0 0 *

ANNUAL STATEMENT

For the Year Ended December 31, 2011

of the Condition and Affairs of the

AAA Southern New England Insurance Company

NAIC Group Code..... , (Current Period) (Prior Period) NAIC Company Code..... 12487 Employer's ID Number..... 20-3462094

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

Incorporated/Organized..... September 14, 2005 Commenced Business..... January 1, 2006

Statutory Home Office	110 Royal Little Drive….. Providence ..... RI ..... 02904 *(Street and Number) (City or Town, State and Zip Code)*	
Main Administrative Office	110 Royal Little Drive….. Providence ..... RI ..... 02904 *(Street and Number) (City or Town, State and Zip Code)*	401-868-6520 *(Area Code) (Telephone Number)*
Mail Address	110 Royal Little Drive….. Providence ..... RI ..... 02904 *(Street and Number or P. O. Box) (City or Town, State and Zip Code)*	
Primary Location of Books and Records	110 Royal Little Drive….. Providence ..... RI ..... 02904 *(Street and Number) (City or Town, State and Zip Code)*	401-868-6520 *(Area Code) (Telephone Number)*
Internet Web Site Address	www.AAA.com	
Statutory Statement Contact	Russell Stephen Manty *(Name)*	401-868-2000-2106 *(Area Code) (Telephone Number) (Extension)*
	smanty@aaasne.com *(E-Mail Address)*	401-868-2013 *(Fax Number)*

OFFICERS

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

OTHER

DIRECTORS OR TRUSTEES

Joseph Francis Whinery Jr. Mark Allen Shaw John Michael Costello Paul Anthony McCraven
William Alfred Mekrut

State of..... Rhode Island
County of..... Providence

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

(Signature)	(Signature)	(Signature)
Mark Allen Shaw	Francis Xavier Doyle	Russell Stephen Manty
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Vice President and Secretary	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This _____ day of _____ 2012

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

ASSETS

	Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	32,340,498		32,340,498	33,751,712
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	
2.2 Common stocks	10,518,896		10,518,896	9,869,471
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $.....0 encumbrances)			0	
4.2 Properties held for the production of income (less $.....0 encumbrances)			0	
4.3 Properties held for sale (less $.....0 encumbrances)			0	
5. Cash ($.....69,282, Sch. E-Part 1), cash equivalents ($.....0, Sch. E-Part 2) and short-term investments ($.....327,163, Sch. DA)	396,445		396,445	437,811
6. Contract loans (including $.....0 premium notes)			0	
7. Derivatives (Schedule DB)			0	
8. Other invested assets (Schedule BA)			0	
9. Receivables for securities			0	
10. Securities lending reinvested collateral assets (Schedule DL)			0	
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	43,255,839	0	43,255,839	44,058,994
13. Title plants less $.....0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	378,394		378,394	450,932
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in course of collection			0	
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)			0	
15.3 Accrued retrospective premiums			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans			0	
18.1 Current federal and foreign income tax recoverable and interest thereon			0	
18.2 Net deferred tax asset	68,275		68,275	132,480
19. Guaranty funds receivable or on deposit			0	
20. Electronic data processing equipment and software			0	
21. Furniture and equipment, including health care delivery assets ($.....0)			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates			0	
24. Health care ($.....0) and other amounts receivable			0	
25. Aggregate write-ins for other than invested assets	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	43,702,508	0	43,702,508	44,642,406
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. TOTALS (Lines 26 and 27)	43,702,508	0	43,702,508	44,642,406

DETAILS OF WRITE-INS

1101.			0	
1102.			0	
1103.			0	
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Receivable from quota share agreement			0	
2502.			0	
2503.			0	
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	0	0	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	1,408,873	3,300,300
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	825,660	1,550,617
4.	Commissions payable, contingent commissions and other similar charges		
5.	Other expenses (excluding taxes, licenses and fees)	57,545	76,477
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)		
7.1	Current federal and foreign income taxes (including $.....0 on realized capital gains (losses))	570,101	655,139
7.2	Net deferred tax liability		
8.	Borrowed money $.....0 and interest thereon $.....0		
9.	Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $.....0 and including warranty reserves of $.....0 and accrued accident and health experience rating refunds including $.....0 for medical loss ratio rebate per the Public Health Service Act)		
10.	Advance premium		
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)		
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		
14.	Amounts withheld or retained by company for account of others		
15.	Remittances and items not allocated		
16.	Provision for reinsurance (Schedule F, Part 7)		
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates	2,900	4,560
20.	Derivatives		
21.	Payable for securities		
22.	Payable for securities lending		
23.	Liability for amounts held under uninsured plans		
24.	Capital notes $.....0 and interest thereon $.....0		
25.	Aggregate write-ins for liabilities	471,265	744,508
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	3,336,344	6,331,601
27.	Protected cell liabilities		
28.	Total liabilities (Lines 26 and 27)	3,336,344	6,331,601
29.	Aggregate write-ins for special surplus funds	0	0
30.	Common capital stock	1,620,000	1,620,000
31.	Preferred capital stock		
32.	Aggregate write-ins for other than special surplus funds	0	0
33.	Surplus notes		
34.	Gross paid in and contributed surplus	30,880,000	30,880,000
35.	Unassigned funds (surplus)	7,866,164	5,810,805
36.	Less treasury stock, at cost:		
	36.1 .....0.000 shares common (value included in Line 30 $.....0)		
	36.2 .....0.000 shares preferred (value included in Line 31 $.....0)		
37.	Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	40,366,164	38,310,805
38.	TOTALS (Page 2, Line 28, Col. 3)	43,702,508	44,642,406

DETAILS OF WRITE-INS

2501.	Payable on quota share agreement	471,265	744,508
2502.			
2503.			
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	471,265	744,508
2901.			
2902.			
2903.			
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0
2999.	Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	0
3201.			
3202.			
3203.			
3298.	Summary of remaining write-ins for Line 32 from overflow page	0	0
3299.	Totals (Lines 3201 thru 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)		
	DEDUCTIONS		
2.	Losses incurred (Part 2, Line 35, Column 7)	(199,407)	537,443
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	(405,330)	(1,223,957)
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2)	130,727	227,935
5.	Aggregate write-ins for underwriting deductions	0	0
6.	Total underwriting deductions (Lines 2 through 5)	(474,010)	(458,579)
7.	Net income of protected cells		
8.	Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	474,010	458,579
	INVESTMENT INCOME		
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	1,021,546	1,188,545
10.	Net realized capital gains (losses) less capital gains tax of $.....0 (Exhibit of Capital Gains (Losses))	728,546	566,259
11.	Net investment gain (loss) (Lines 9 + 10)	1,750,092	1,754,804
	OTHER INCOME		
12.	Net gain (loss) from agents' or premium balances charged off (amount recovered $.....0 amount charged off $.....0)	0	
13.	Finance and service charges not included in premiums		
14.	Aggregate write-ins for miscellaneous income	0	0
15.	Total other income (Lines 12 through 14)	0	0
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	2,224,102	2,213,383
17.	Dividends to policyholders		
18.	Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	2,224,102	2,213,383
19.	Federal and foreign income taxes incurred	124,749	158,597
20.	Net income (Line 18 minus Line 19) (to Line 22)	2,099,353	2,054,786
	CAPITAL AND SURPLUS ACCOUNT		
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	38,310,806	35,476,640
22.	Net income (from Line 20)	2,099,353	2,054,786
23.	Net transfers (to) from Protected Cell accounts		
24.	Change in net unrealized capital gains or (losses) less capital gains tax of $.....7,074	13,137	495,091
25.	Change in net unrealized foreign exchange capital gain (loss)		
26.	Change in net deferred income tax	(251,966)	(216,790)
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28 Column 3)	194,834	501,079
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		
29.	Change in surplus notes		
30.	Surplus (contributed to) withdrawn from protected cells		
31.	Cumulative effect of changes in accounting principles		
32.	Capital changes:		
	32.1 Paid in		
	32.2 Transferred from surplus (Stock Dividend)		
	32.3 Transferred to surplus		
33.	Surplus adjustments:		
	33.1 Paid in		
	33.2 Transferred to capital (Stock Dividend)		
	33.3. Transferred from capital		
34.	Net remittances from or (to) Home Office		
35.	Dividends to stockholders		
36.	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37.	Aggregate write-ins for gains and losses in surplus	0	0
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37)	2,055,358	2,834,166
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	40,366,164	38,310,806

DETAILS OF WRITE-INS

0501.	Corporate expenses assumed from The Commerce Insurance Company		
0502.			
0503.			
0598.	Summary of remaining write-ins for Line 5 from overflow page	0	0
0599.	Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0
1401.			
1402.			
1403.			
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0
1499.	Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0
3701.			
3702.			
3703.			
3798.	Summary of remaining write-ins for Line 37 from overflow page	0	0
3799.	Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above)	0	0

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance		
2. Net investment income	1,618,236	1,709,768
3. Miscellaneous income		
4. Total (Lines 1 through 3)	1,618,236	1,709,768
5. Benefit and loss related payments	1,935,491	4,111,926
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	497,991	540,946
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of $.....0 tax on capital gains (losses)	209,787	493,022
10. Total (Lines 5 through 9)	2,643,269	5,145,894
11. Net cash from operations (Line 4 minus Line 10)	(1,025,033)	(3,436,126)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	13,362,481	13,375,778
12.2 Stocks	2,945,008	3,431,510
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		(258)
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	16,307,489	16,807,030
13. Cost of investments acquired (long-term only):		
13.1 Bonds	12,267,679	11,817,306
13.2 Stocks	3,056,143	3,336,395
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		297,767
13.7 Total investments acquired (Lines 13.1 to 13.6)	15,323,822	15,451,468
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)	983,667	1,355,562
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)		
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	0	0
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	(41,366)	(2,080,564)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	437,811	2,518,375
19.2 End of year (Line 18 plus Line 19.1)	396,445	437,811

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

20.0001		

Pt. 1-Premiums Earned
NONE

Pt. 1A-Recapitulation of All Premiums
NONE

Pt. 1B-Premiums Written
NONE

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		2,183		2,183	6,236	5,651	2,768	
2.	Allied lines				0			0	
3.	Farmowners multiple peril				0			0	
4.	Homeowners multiple peril		90,935		90,935	69,117	199,170	(39,118)	
5.	Commercial multiple peril		20,524		20,524	(4,591)	17,492	(1,559)	
6.	Mortgage guaranty				0			0	
8.	Ocean marine				0			0	
9.	Inland marine		348		348	53	193	208	
10.	Financial guaranty				0			0	
11.1	Medical professional liability - occurrence				0			0	
11.2	Medical professional liability - claims-made				0			0	
12.	Earthquake				0			0	
13.	Group accident and health				0			0	
14.	Credit accident and health (group and individual)				0			0	
15.	Other accident and health				0			0	
16.	Workers' compensation				0			0	
17.1	Other liability - occurrence		(27,838)		(27,838)	24,349	4,817	(8,306)	
17.2	Other liability - claims-made				0			0	
17.3	Excess workers' compensation				0			0	
18.1	Products liability - occurrence				0			0	
18.2	Products liability - claims-made				0			0	
19.1, 19.2	Private passenger auto liability		1,468,566		1,468,566	1,138,661	2,727,410	(120,183)	
19.3, 19.4	Commercial auto liability		153,993		153,993	178,749	394,450	(61,708)	
21.	Auto physical damage		(16,691)		(16,691)	(3,701)	(48,883)	28,491	
22.	Aircraft (all perils)				0			0	
23.	Fidelity				0			0	
24.	Surety				0			0	
26.	Burglary and theft				0			0	
27.	Boiler and machinery				0			0	
28.	Credit				0			0	
29.	International				0			0	
30.	Warranty				0			0	
31.	Reinsurance - nonproportional assumed property	XXX			0			0	
32.	Reinsurance - nonproportional assumed liability	XXX			0			0	
33.	Reinsurance - nonproportional assumed financial lines	XXX			0			0	
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	
35.	TOTALS	0	1,692,020	0	1,692,020	1,408,873	3,300,300	(199,407)	

DETAILS OF WRITE-INS

3401.					0			0	
3402.					0			0	
3403.					0			0	
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	XXX
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0	0	

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
	Line of Business	Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire		20,378		20,378		(14,142)		6,236	2,392
2.	Allied lines				0				0	
3.	Farmowners multiple peril				0				0	
4.	Homeowners multiple peril		209,298		209,298		(140,181)		69,117	45,378
5.	Commercial multiple peril		48,015		48,015		(52,606)		(4,591)	19,014
6.	Mortgage guaranty				0				0	
8.	Ocean marine				0				0	
9.	Inland marine				0		53		53	7
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				0				0	
17.1	Other liability - occurrence		26,037		26,037		(1,688)		24,349	10,495
17.2	Other liability - claims-made				0				0	
17.3	Excess workers' compensation				0				0	
18.1	Products liability - occurrence				0				0	
18.2	Products liability - claims-made				0				0	
19.1, 19.2	Private passenger auto liability		1,894,743		1,894,743		(756,082)		1,138,661	680,872
19.3, 19.4	Commercial auto liability		234,318		234,318		(55,569)		178,749	52,071
21.	Auto physical damage		(31,819)		(31,819)		28,118		(3,701)	15,431
22.	Aircraft (all perils)				0				0	
23.	Fidelity				0				0	
24.	Surety				0				0	
26.	Burglary and theft				0				0	
27.	Boiler and machinery				0				0	
28.	Credit				0				0	
29.	International				0				0	
30.	Warranty				0				0	
31.	Reinsurance - nonproportional assumed property	XXX			0	XXX			0	
32.	Reinsurance - nonproportional assumed liability	XXX			0	XXX			0	
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	0	2,400,970	0	2,400,970	0	(992,097)	0	1,408,873	825,660

DETAILS OF WRITE-INS

3401.					0				0	
3402.					0				0	
3403.					0				0	
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0	0	0	0

(a) Including $.....0 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				0
1.2 Reinsurance assumed	(405,330)			(405,330)
1.3 Reinsurance ceded				0
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	(405,330)	0	0	(405,330)
2. Commission and brokerage:				
2.1 Direct, excluding contingent				0
2.2 Reinsurance assumed, excluding contingent				0
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	0	0	0
3. Allowances to manager and agents				0
4. Advertising				0
5. Boards, bureaus and associations				0
6. Surveys and underwriting reports				0
7. Audit of assureds' records				0
8. Salary and related items:				
8.1 Salaries		11,925		11,925
8.2 Payroll taxes		1,590		1,590
9. Employee relations and welfare		2,385		2,385
10. Insurance				0
11. Directors' fees				0
12. Travel and travel items				0
13. Rent and rent items				0
14. Equipment				0
15. Cost or depreciation of EDP equipment and software				0
16. Printing and stationery		3,000		3,000
17. Postage, telephone and telegraph, exchange and express		17,750		17,750
18. Legal and auditing		94,077	172,305	266,382
19. Totals (Lines 3 to 18)	0	130,727	172,305	303,032
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of $.....0				0
20.2 Insurance department licenses and fees				0
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)	0	0	0	0
21. Real estate expenses				0
22. Real estate taxes				0
23. Reimbursements by uninsured plans				0
24. Aggregate write-ins for miscellaneous expenses	0	0	0	0
25. Total expenses incurred	(405,330)	130,727	172,305	(a) (102,298)
26. Less unpaid expenses - current year	825,660	21,090	36,208	882,958
27. Add unpaid expenses - prior year	1,550,617		38,854	1,589,471
28. Amounts receivable relating to uninsured plans, prior year				0
29. Amounts receivable relating to uninsured plans, current year				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	319,627	109,637	174,951	604,215

DETAILS OF WRITE-INS

2401.				0
2402.				0
2403.				0
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above)	0	0	0	0

(a) Includes management fees of $.....0 to affiliates and $.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. government bonds	(a)	
1.1	Bonds exempt from U.S. tax	(a) 1,043,612	969,139
1.2	Other bonds (unaffiliated)	(a)	
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)	222,177	224,231
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 885	481
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income	0	0
10.	Total gross investment income	1,266,674	1,193,851
11.	Investment expenses		(g) 172,305
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) 0
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		172,305
17.	Net investment income (Line 10 minus Line 16)		1,021,546

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 thru 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 thru 1503 plus 1598) (Line 15 above)		0

(a) Includes $.....18,231 accrual of discount less $.....545,046 amortization of premium and less $.....97,016 paid for accrued interest on purchases.
(b) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued dividends on purchases.
(c) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued interest on purchases.
(d) Includes $.....0 for company's occupancy of its own buildings; and excludes $.....0 interest on encumbrances.
(e) Includes $.....0 accrual of discount less $.....1,677 amortization of premium and less $.....0 paid for accrued interest on purchases.
(f) Includes $.....0 accrual of discount less $.....0 amortization of premium.
(g) Includes $.....0 investment expenses and $.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
(h) Includes $.....0 interest on surplus notes and $.....0 interest on capital notes.
(i) Includes $.....0 depreciation on real estate and $.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. government bonds			0		
1.1	Bonds exempt from U.S. tax	210,410		210,410		
1.2	Other bonds (unaffiliated)			0		
1.3	Bonds of affiliates			0		
2.1	Preferred stocks (unaffiliated)			0		
2.11	Preferred stocks of affiliates			0		
2.2	Common stocks (unaffiliated)	518,136		518,136	20,211	
2.21	Common stocks of affiliates			0		
3.	Mortgage loans			0		
4.	Real estate			0		
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments			0		
7.	Derivative instruments			0		
8.	Other invested assets			0		
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	728,546	0	728,546	20,211	0

DETAILS OF WRITE-INS

0901.				0		
0902.				0		
0903.				0		
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			0
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income			0
4.3 Properties held for sale			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities			0
10. Securities lending reinvested collateral assets (Schedule DL)			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
14. Investment income due and accrued			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection			0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			0
15.3 Accrued retrospective premiums			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans			0
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset		194,834	194,834
19. Guaranty funds receivable or on deposit			0
20. Electronic data processing equipment and software			0
21. Furniture and equipment, including health care delivery assets			0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivables from parent, subsidiaries and affiliates			0
24. Health care and other amounts receivable			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 through 25)	0	194,834	194,834
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. TOTALS (Lines 26 and 27)	0	194,834	194,834

DETAILS OF WRITE-INS

1101.			0
1102.			0
1103.			0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0
2501.			0
2502.			0
2503.			0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	0	0	0

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of AAA Southern New England Insurance Company (the Company) have been prepared in conformity with the accounting practices prescribed by the National Association of Insurance Commissioners (NAIC) or otherwise permitted by the State of Rhode Island Department of Business Regulation - Insurance Division. The NAIC Accounting Practices and Procedures manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practice by the State of Rhode Island.

Net income for the twelve months ended December 31, 2011 amounts to $2,099,353 and surplus as of December 31, 2011 amounts to $40,366,164.

B. Use of Estimates

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

C. Accounting Policies

Net investment income earned consists primarily of interest and dividends less related expenses. Interest is recognized on an accrual basis and dividends are recognized on an ex-dividend basis. Net realized capital gains (losses) are recognized on a specific identification basis when securities are sold, redeemed, or otherwise disposed. Realized capital losses include writedowns for impairments considered to be other than temporary.

In addition, the Company uses the following accounting policies:

1. Short-term investments are accounted for in the same manner as similar long-term investments in accordance with Statement of Statutory Accounting Principles (SSAP) No. 2.

2. Bonds are generally stated at amortized cost using the scientific method. Bonds containing call provisions are amortized to either the call or maturity value / date, whichever produces the lowest asset value (yield to worst), in accordance with SSAP No. 26. Bonds that are designated highest-quality and high-quality (NAIC designation 1 and 2, respectively) are reported at amortized cost. Non-investment grade bonds with NAIC designations of 3 through 6 are stated at the lower of amortized value or fair value.

3. Common stocks are stated at fair value.

4. The Company has no preferred stocks.

5. The Company has no mortgage loans.

6. Investment grade loan-backed securities are stated at amortized cost. The retrospective adjustment method is used to determine amortized cost for all loan-backed securities. Non-investment grade loan-backed securities with NAIC designations of 3 through 6 are stated at the lower of amortized cost or fair value.

7. The Company has no investments in subsidiaries and affiliated companies.

8. The Company has no joint ventures or partnerships.

9. The Company has no derivatives.

10. The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property - Casualty Contracts - Premiums.

11. Unpaid losses and loss adjustment expenses (LAE) include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.

12. The Company has no prepaid expenses, electronic data processing equipment, software, furniture, vehicles, other equipment, or leasehold improvements.

13. The Company does not write major medical insurance with prescription drug coverage.

NOTES TO FINANCIAL STATEMENTS

Note 2 - Accounting Changes and Corrections of Errors

Not applicable.

Note 3 - Business Combinations and Goodwill

Not applicable.

Note 4 - Discontinued Operations

Not applicable.

Note 5 – Investments

A. Mortgage Loans

Not applicable.

B. Troubled Debt Restructuring for Creditors

Not applicable.

C. Reverse Mortgages

Not applicable.

D. Loan-Backed and Structured Securities

1. The Company did not make prepayment assumptions for loan-backed or structured securities.

2. The company did not recognize other-than-temporary impairments for loan-backed securities.

3. The company did not recognize other-than-temporary impairments for loan-backed securities.

4. The following table summarizes unrealized losses on loan-backed and structured securities by the length of time that securities have continuously been in unrealized loss positions:

	Less than 12 Months		12 Months or Longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Other loan-backed and structured securities			$588,959	$126	$588,959	$126

5. All loan-backed and structured securities in an unrealized loss position were reviewed to determine whether other-than-temporary impairments should be recognized. The Company asserts that it has the intent and ability to hold these securities long enough to allow the cost basis of these securities to be recovered. It is possible that the Company could recognize other-than-temporary impairments in the future on some of the securities, if future events, information, and passage of time causes it to conclude that declines in value are other-than-temporary.

E. Repurchase Agreements and/or Securities Lending Transactions

For repurchase agreements, the Company requires a minimum 105% of the fair value of securities purchased under repurchase agreements to be maintained as collateral. There were no open repurchase agreements as of December 31, 2011.

F. Writedowns for Impairments of Real Estate, Retail Estate Sales, Retail Land Sales Operations, and Real Estate with Participating Mortgage Loan Features

Not applicable.

G. Low Income Housing Tax Credits

Not applicable.

NOTES TO FINANCIAL STATEMENTS

Note 6 - Joint Ventures, Partnerships, and Limited Liability Companies

Not applicable.

Note 7 - Investment Income

A. Accrued Investment Income

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

B. Amounts Nonadmitted

Not applicable.

Note 8 - Derivative Instruments

Not applicable.

Note 9 - Income Taxes

A. The amount of gross deferred tax assets (DTAs) and deferred tax liabilities (DTLs) comprising net DTAs is shown below as well as admitted, nonadmitted, and change in nonadmitted DTAs.

1.

	December 31, 2011			December 31, 2010			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	$179,304	$481,353	$660,657	$176,278	$736,345	$912,623	$ 3,026	($254,992)	($251,966)
(b) Statutory Valuation Allowance Adjustment									
(c) Adjusted Gross Deferred Tax Assets (1a -1b)	179,304	481,353	660,657	176,278	736,345	912,623	3,026	(254,992)	(251,966)
(d) Deferred Tax Liabilities		592,382	592,382		585,309	585,309		7,073	7,073
(e) Subtotal (Net Deferred Tax Assets) (1c – 1d)	179,304	(111,029)	68,275	176,278	151,036	327,314	3,026	(262,065)	(259,039)
(f) Deferred Tax Assets Nonadmitted				43,798	151,036	194,834	(43,798)	(151,036)	(194,834)
(g) Net Admitted Deferred Tax Assets (1e – 1f)	$179,304	($111,029)	$68,275	$132,480		$132,480	$46,824	($111,029)	($64,205)

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

3. Not applicable.

NOTES TO FINANCIAL STATEMENTS

4.

	December 31, 2011			December 31, 2010			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission Calculation Components - SSAP No. 10R, Paragraphs 10.a., 10.b., and 10.c.:									
(a) Paragraph 10.a	$158,672		$158,672	$132,480		$132,480	$26,192		$26,192
(b) Paragraph 10.b. (the lesser paragraph of 10.b.i. and 10.b.ii. below)									
(c) Paragraph 10.b.i.									
(d) Paragraph 10.b.ii.	xxx	xxx	3,890,141	xxx	xxx	3,678,572	xxx	xxx	211,569
(e) Paragraph 10.c.		$501,985	501,985		$585,309	585,309		($83,324)	(83,324)
(f) Total (4a+4b+4e)	$158,672	$501,985	$660,657	$132,480	$585,309	$717,789	$26,192	($83,324)	($57,132)

5.

	December 31, 2011			December 31, 2010			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
SSAP No. 10R, Paragraphs 10.a., 10.b., and 10.c.:									
(a) Admitted Deferred Tax Assets	$68,275		$68,275	$132,480		$132,480	($64,205)		($64,205)
(b) Admitted Assets	xxx	xxx	43,702,508	xxx	xxx	44,642,406	xxx	xxx	(939,898)
(c) Adjusted Statutory Surplus *	xxx	xxx	38,901,407	xxx	xxx	36,785,721	xxx	xxx	2,115,686
(d) Total Adjusted Capital from DTAs	xxx	xxx	68,275	xxx	xxx	132,480	xxx	xxx	(64,205)

* As reported on the statutory balance sheet for the most recently filed statement with the domiciliary state commissioner adjusted in accordance with SSAP No. 10R, Paragraph 10.b.ii.

6. Not applicable

B. Unrecognized Deferred Tax Liabilities

Not applicable.

C. Current and deferred income taxes consist of the following major components.

1. Current income tax:

	December 31, 2011	December 31, 2010	Change
Federal	$ 124,749	$ 158,597	$ (33,848)
Foreign			
Realized Capital Gains Tax			
Federal and Foreign Income Taxes Incurred	$ 124,749	$ 158,597	$ (33,848)

NOTES TO FINANCIAL STATEMENTS

2. Deferred tax assets:

	December 31, 2011	December 31, 2010	Change
(a) Ordinary:			
(1) Discounting of Unpaid Losses	$ 50,718	$ 107,665	$ (56,947)
(2) Unearned Premium Reserve			
(3) Policyholder Reserves			
(4) Investments	128,586	68,613	59,973
(5) Deferred Acquisition Costs			
(6) Policyholder Dividends Accrual			
(7) Fixed Assets			
(8) Compensation and Benefits Accrual			
(9) Pension Accrual			
(10) Receivables – Nonadmitted			
(11) Net Operating Loss Carry-Forward			
(12) Tax Credit Carry-Forward			
(13) Other			
(99) Subtotal	179,304	176,278	3,026
(b) Statutory Valuation Allowance Adjustment			
(c) Nonadmitted		43,798	(43,798)
(d) Admitted Ordinary Deferred Tax Assets (2a99 - 2b - 2c)	$ 179,304	$ 132,480	$ 46,824
(e) Capital:			
(1) Investments	$ 325,339	$ 382,352	$ (57,013)
(2) Net Capital Loss Carry-Forward	156,014	353,993	(197,979)
(3) Real Estate			
(4) Other			
(99) Subtotal	481,353	736,345	(254,992)
(f) Statutory Valuation Allowance Adjustment			
(g) Nonadmitted		151,036	(151,036)
(h) Admitted Capital Deferred Tax Assets (2e99 – 2f – 2g)	$ 481,353	$ 585,309	$ (103,956)
(i) Admitted Deferred Tax Assets (2d + 2h)	$ 660,657	$ 717,789	$ (57,132)

3. Deferred tax liabilities:

	December 31, 2011	December 31, 2010	Change
(a) Ordinary:			
(1) Investments			
(2) Fixed Assets			
(3) Deferred and Uncollected Premium			
(4) Policyholder Reserves			
(5) Other			
(99) Subtotal			
(b) Capital:			
(1) Investments	$ 592,382	$ 585,309	$ 7,073
(2) Real Estate			
(3) Other			
(99) Subtotal	592,382	585,309	7,073
(c) Deferred Tax Liabilities (3a99 + 3b99)	$ 592,382	$ 585,309	$ 7,073

NOTES TO FINANCIAL STATEMENTS

4. Net Deferred Tax Assets / Liabilities (2i – 3c)	$ 68,275	$ 132,480	$ (64,205)

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

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

	December 31, 2011	Effective Tax Rate	December 31, 2010	Effective Tax Rate
Provision computed at statutory rate	$ 778,464	35.0 %	$ 774,656	35.0 %
Tax-exempt income deduction	(339,441)	(15.3)	(400,708)	(18.1)
Dividends received deduction	(53,958)	(2.4)	(53,726)	(2.4)
Proration of investment income	59,010	2.7	68,165	3.1
Prior year true-up	(67,360)	(3.0)	(13,000)	(0.6)
Totals	$ 376,715	17.0%	$ 375,387	17.0%
Federal and foreign income taxes incurred	$ 124,749	5.6 %	$ 158,597	7.2 %
Change in net deferred income taxes	251,966	11.4	216,790	9.8
Total statutory income taxes	$ 376,715	17.0%	$ 375,387	17.0 %

E. Operating Loss and Tax Credit Carryforwards

1. The Company does not have any unused operating loss carryforwards available to offset against future taxable income.

2. The Company's income tax expense for 2010 and 2009 that is available for recoupment in the event of future net losses is $702,799. The Company incurred a loss for 2008.

3. The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return

1. The Company's federal income tax return is consolidated with the following entities:
   - AAA Southern New England
   - Automobile Club Insurance Agency, Inc.
   - AAA Insurance Agency, Inc. (a Connecticut corporation)
   - AAA Insurance Agency, Inc. (a Massachusetts corporation)
   - AAA SNE Holding, Inc.
   - AAA Southern New England Mortgage Corporation
   - AAA Southern New England Bank
   - AAA Auto Glass, Inc.
   - AAA Driver Training School, Inc.
   - Blue Hen Investment Company, Inc.
   - AAA Car Care, Inc.
   - American AutoGlass Administrators, Inc.

2. The Company maintains a written tax allocation agreement with its ultimate parent, AAA Southern New England. The tax allocation agreement provides for the allocation of the consolidated tax based upon each subsidiaries' contribution to taxable income.

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

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

A. Nature of relationships

All of the outstanding shares of the Company are owned by AAA SNE Holding, Inc., a Rhode Island Corporation. AAA SNE Holding, Inc. is a wholly owned subsidiary of AAA Southern New England.

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

Not applicable.

NOTES TO FINANCIAL STATEMENTS

C. Change in Terms of Intercompany Arrangements

Not applicable.

D. Amounts Due to or from Related Parties

At December 31, 2011, the Company reported $2,900 payable to AAA Southern New England, an affiliated company.

E. Guarantees or Contingencies for Related Parties

Not applicable.

F. Management, Service Contracts, Cost Sharing Arrangements

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

G. Nature of Relationships that Could Affect Operations

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

H. Amount Deducted for Investment in Upstream Company

Not applicable.

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

Not applicable.

J. Writedown for Impairment of Investments in Affiliates

Not applicable.

K. Foreign Subsidiary Valued Using CARVM

Not applicable.

L. Downstream Holding Company Valued Using Look-Through Method

Not applicable.

Note 11 - Debt

Not applicable.

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

Not applicable.

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

A. Outstanding Shares

The Company has 1,000 shares, no par value common shares authorized of which 162 shares are issued and outstanding as of December 31, 2011. The Company also has 100,000 shares of cumulative preferred stock, $100 par value authorized of which no shares are issued.

B. Dividend Rate of Preferred Stock

Not applicable.

NOTES TO FINANCIAL STATEMENTS

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

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

G. Mutual Surplus Advances

Not applicable.

H. Company Stock Held for Special Purposes

Not applicable.

I. Changes in Special Surplus Funds

Not applicable.

J. Changes in Unassigned Funds

Unassigned funds (surplus) has been increased by cumulative unrealized capital gains of $1,100,139, net of applicable deferred taxes of $592,382.

K. Surplus Notes

Not applicable.

L. and M. Quasi Reorganizations

Not applicable.

Note 14 - Contingencies

Not applicable.

Note 15 - Leases

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

NOTES TO FINANCIAL STATEMENTS

Note 20 - Fair Value Measurements

A. Inputs Used for Assets and Liabilities Measured at Fair Value

1. Fair Value Measurements by Levels 1, 2, and 3

Fair value is measured utilizing a three-tier hierarchy to classify fair value measurements as follows:

Level 1 - Values measured using quoted prices in active markets for identical assets and liabilities

Level 2 - Values measured using other significant observable inputs such as quoted prices for similar assets and liabilities, interest rates, credit risk, etc.

Level 3 - Values measured using significant unobservable inputs, including internal assumptions

The fair values of the Company's investments are determined using Level 1inputs.

2. Rollforward of Level 3 Items

The Company has no assets or liabilities measured at fair value in the Level 3 category.

3. Policy on Transfers Into and Out of Level 3

The Company had no transfers into or out of Level 3 during the current period.

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values

Not applicable.

5. Derivative Fair Values

Not applicable.

B. Other Fair Value Disclosures

Not applicable.

C. Reasons Not Practical to Estimate Fair Values

Not applicable.

Note 21 - Other Items

Not applicable.

Note 22 - Events Subsequent

Not applicable.

Note 23 - Reinsurance

Not applicable.

Note 24 - Retrospectively Rated Contracts and Contracts Subject to Redetermination

Not applicable.

Note 25 - Changes in Incurred Losses and Loss Adjustment Expenses

The estimated cost of loss and loss adjustment expenses attributed to insured events of prior years decreased by $603,000 during the current period. The favorable development of $603,000 is approximately 12.4% of the unpaid losses and LAE of $4,851,000 as of the prior year-end, and is due primarily to lower than anticipated losses related to personal automobile liability.

Note 26 - Intercompany Pooling Arrangements

Not applicable.

NOTES TO FINANCIAL STATEMENTS

Note 27 - Structured Settlements

Not applicable.

Note 28 - Health Care Receivables

Not applicable.

Note 29 - Participating Policies

Not applicable.

Note 30 - Premium Deficiency Reserves

Not applicable.

Note 31 - High Deductibles

Not applicable.

Note 32 - Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

Not applicable.

Note 33 - Asbestos and Environmental Reserves

Not applicable.

Note 34 - Subscriber Savings Accounts

Not applicable.

Note 35 - Multiple Peril Crop Insurance

Not applicable.

Note 36 - Financial Guaranty Insurance

Not applicable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

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

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

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: N/A

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

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. 12/31/2009

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). 02/08/2011

3.4 By what department or departments? State of Rhode Island Department of Business Regulation - Insurance Division

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 [ ] No [ ] N/A [X]

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

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 Co. Code	3 State of Domicile

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

6.2 If yes, give full information:

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

7.2 If yes,

7.21 State the percentage of foreign control .....%

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

1 Nationality	2 Type of Entity

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

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

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

8.4 If 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
N/A				NO		

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
LGC&D LLP, 10 Weybosset Street, Suite 700, Providence, RI 02903

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 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]

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

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [ ] No [X] N/A [ ]

10.6 If the answer to 10.5 is no or n/a, please explain.
Consistent with R.I. General Laws, AAA Southern New England Insurance Company's Board of Directors has the primary audit function oversight for AAA Southern New England Insurance Company and is responsible for selecting and meeting with the external auditors, reviewing financial statements and regulatory reports, etc.

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?
PricewaterhouseCoopers LLP, 125 High Street, Boston, MA 02110

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.

GENERAL INTERROGATORIES

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 [ ] N/A [ ]

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).

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance with a NAIC rating of 3 or below? Yes [ ] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

PART 1 - COMMON INTERROGATORIES - BOARD OF DIRECTORS

16. 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 [ ]

17. 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 [ ]

18. 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 [ ]

PART 1 - COMMON INTERROGATORIES - FINANCIAL

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

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers $.....0
- 20.12 To stockholders not officers $.....0
- 20.13 Trustees, supreme or grand (Fraternal only) $.....0

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers $.....0
- 20.22 To stockholders not officers $.....0
- 20.23 Trustees, supreme or grand (Fraternal only) $.....0

21.1 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]

21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others .....
- 21.22 Borrowed from others .....
- 21.23 Leased from others .....
- 21.24 Other .....

22.1 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]

22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment .....
- 22.22 Amount paid as expenses .....
- 22.23 Other amounts paid .....

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

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

PART 1 - COMMON INTERROGATORIES - INVESTMENT

24.1 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 24.3)? Yes [X] No [ ]

24.2 If no, give full and complete information relating thereto.

24.3 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).

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

24.5 If answer to 24.4 is yes, report amount of collateral for conforming programs. .....

24.6 If answer to 24.4 is no, report amount of collateral for other programs. .....

PART 1 - COMMON INTERROGATORIES - INVESTMENT

24.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [ ] No [ ] N/A [X]

24.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] N/A [X]

24.9 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 [ ] N/A [X]

25.1 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 21.1 and 24.3) Yes [ ] No [X]

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

25.21 Subject to repurchase agreements .....

25.22 Subject to reverse repurchase agreements .....

25.23 Subject to dollar repurchase agreements .....

25.24 Subject to reverse dollar repurchase agreements .....

25.25 Pledged as collateral .....

25.26 Placed under option agreements .....

25.27 Letter stock or securities restricted as to sale .....

25.28 On deposit with state or other regulatory body .....

25.29 Other .....

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

27.1 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]

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

28. 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 [ ]

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

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

28.02 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)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [X]

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

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

28.05 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
104863	Income Research & Management	100 Federal Street, 31st Floor, Boston, MA 02110
3524	Stralem & Company, Inc.	645 Madison Avenue, New York, NY 10022

29.1 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 [X] No [ ]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adj.Carrying Value
922908 48 8	Vanguard Index FDS Total Stk Mkt	4,759,540
29.2999. TOTAL		4,759,540

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

1 Name of Mutual Fund (from the above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to Holding	4 Date of Valuation
Vanguard Index FDS Total Stk Mkt	Exxon Mobil Corp	140,406	12/31/2011
Vanguard Index FDS Total Stk Mkt	Apple Inc	127,556	12/31/2011
Vanguard Index FDS Total Stk Mkt	International Business Machs	74,725	12/31/2011
Vanguard Index FDS Total Stk Mkt	Chevron Corp New	72,345	12/31/2011
Vanguard Index FDS Total Stk Mkt	Microsoft Corp	66,634	12/31/2011

30. 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 (+)
30.1 Bonds	32,667,661	34,082,963	1,415,302
30.2 Preferred stocks			0
30.3 Totals	32,667,661	34,082,963	1,415,302

30.4 Describe the sources or methods utilized in determining the fair values:
NAIC Securities Valuation Office and Interactive Data Corporation (IDC)

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

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [ ] No [ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D.

PART 1 - COMMON INTERROGATORIES - INVESTMENT

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

32.2 If no, list exceptions:

PART 1 - COMMON INTERROGATORIES - OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $.....0

33.2 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

34.1 Amount of payments for legal expenses, if any? $.....0

34.2 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

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $.....0

35.2 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

NONE

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND 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. .....
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. .....
1.6 Individual policies:
Most current three years:
1.61 Total premium earned .....
1.62 Total incurred claims .....
1.63 Number of covered lives .....
All years prior to most current three years:
1.64 Total premium earned .....
1.65 Total incurred claims .....
1.66 Number of covered lives .....
1.7 Group policies:
Most current three years:
1.71 Total premium earned .....
1.72 Total incurred claims .....
1.73 Number of covered lives .....
All years prior to most current three years:
1.74 Total premium earned .....
1.75 Total incurred claims .....
1.76 Number of covered lives .....

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator	$.....0	$.....0
2.2 Premium Denominator	$.....0	$.....0
2.3 Premium Ratio (2.1/2.2)	.....0.0	.....0.0
2.4 Reserve Numerator	$.....0	$.....0
2.5 Reserve Denominator	$.....2,234,533	$.....4,850,917
2.6 Reserve Ratio (2.4/2.5)	.....0.0	.....0.0

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 [ ] N/A [ ]
5.22 As a direct expense of the exchange Yes [ ] No [ ] N/A [ ]
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:

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?

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:

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?

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:

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 [ ]

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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 this risk, or portion thereof, reinsured? Yes [ ] No [X]

8.2 If yes, give full information:

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

(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
(c) Aggregate stop loss reinsurance coverage;
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity? Yes [ ] No [X]

9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under 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 affiliate 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. 62R, 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 [X] No [ ]
(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 reinsurance 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 [ ]

11.1 Has this reporting entity guaranteed policies issued by any other reporting 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 assets schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11 Unpaid losses $.....0
12.12 Unpaid underwriting expenses (including loss adjustment expenses) $.....0

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: $.....0

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 [ ] N/A [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 a 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 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): $.....0

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. 0

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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:

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 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 account? 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 2011	2 2010	3 2009	4 2008	5 2007
	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)			389,574	24,480,710	22,525,566
2.	Property lines (Lines 1, 2, 9, 12, 21 & 26)			371,763	15,053,659	13,024,670
3.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)			(529,936)	5,701,610	4,684,793
4.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
5.	Nonproportional reinsurance lines (Lines 31, 32 & 33)					
6.	Total (Line 35)	0	0	231,401	45,235,979	40,235,029
	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)			389,574	24,480,710	22,525,566
8.	Property lines (Lines 1, 2, 9, 12, 21 & 26)			371,763	15,053,659	13,024,670
9.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)			(529,936)	5,701,610	4,684,793
10.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
11.	Nonproportional reinsurance lines (Lines 31, 32 & 33)					
12.	Total (Line 35)	0	0	231,401	45,235,979	40,235,029
	Statement of Income (Page 4)					
13.	Net underwriting gain (loss) (Line 8)	474,010	458,579	5,933,519	(1,741,588)	(3,935,785)
14.	Net investment gain (loss) (Line 11)	1,750,092	1,754,804	2,053,443	(1,307,012)	1,259,490
15.	Total other income (Line 15)					
16.	Dividends to policyholders (Line 17)					
17.	Federal and foreign income taxes incurred (Line 19)	124,749	158,597	735,520	(32,501)	(274,667)
18.	Net income (Line 20)	2,099,353	2,054,786	7,251,442	(3,016,099)	(2,401,628)
	Balance Sheet Lines (Pages 2 and 3)					
19.	Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	43,702,508	44,642,406	47,554,393	60,058,604	50,868,573
20.	Premiums and considerations (Page 2, Col. 3):					
	20.1 In course of collection (Line 15.1)					
	20.2 Deferred and not yet due (Line 15.2)					
	20.3 Accrued retrospective premiums (Line 15.3)					
21.	Total liabilities excluding protected cell business (Page 3, Line 26)	3,336,344	6,331,601	12,077,754	32,435,287	20,178,371
22.	Losses (Page 3, Line 1)	1,408,873	3,300,300	5,881,174	10,525,985	5,709,045
23.	Loss adjustment expenses (Page 3, Line 3)	825,660	1,550,617	3,134,187	2,940,025	1,571,137
24.	Unearned premiums (Page 3, Line 9)				18,364,351	12,854,900
25.	Capital paid up (Page 3, Lines 30 & 31)	1,620,000	1,620,000	1,620,000	1,620,000	1,600,000
26.	Surplus as regards policyholders (Page 3, Line 37)	40,366,164	38,310,805	35,476,639	27,623,317	30,690,202
	Cash Flow (Page 5)					
27.	Net cash from operations (Line 11)	(1,025,033)	(3,436,126)	(12,681,144)	12,832,556	16,644,598
	Risk-Based Capital Analysis					
28.	Total adjusted capital	40,366,164	38,310,805	35,476,639	27,623,317	30,690,202
29.	Authorized control level risk-based capital	989,530	956,281	1,010,220	4,600,229	4,885,125
	Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30.	Bonds (Line 1)	74.8	76.6	75.5	77.3	75.8
31.	Stocks (Lines 2.1 & 2.2)	24.3	22.4	19.2	18.6	
32.	Mortgage loans on real estate (Lines 3.1 & 3.2)					
33.	Real estate (Lines 4.1, 4.2 & 4.3)					
34.	Cash, cash equivalents and short-term investments (Line 5)	0.9	1.0	5.4	4.1	24.2
35.	Contract loans (Line 6)					
36.	Derivatives (Line 7)			XXX	XXX	XXX
37.	Other invested assets (Line 8)					
38.	Receivable for securities (Line 9)					
39.	Securities lending reinvested collateral assets (Line 10)			XXX	XXX	XXX
40.	Aggregate write-ins for invested assets (Line 11)					
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)					
43.	Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)					
44.	Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)					
45.	Affiliated short-term investments (Schedule DA, Verification, Col. 5, Line 10)					
46.	Affiliated mortgage loans on real estate					
47.	All other affiliated					
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				

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2011	2 2010	3 2009	4 2008	5 2007
Capital and Surplus Accounts (Page 4)					
50. Net unrealized capital gains (losses) (Line 24)	13,137	495,091	1,258,622	(666,712)	
51. Dividends to stockholders (Line 35)					
52. Change in surplus as regards policyholders for the year (Line 38)	2,055,358	2,834,166	7,853,323	(3,066,885)	9,572,688
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)	1,594,721	2,903,911	9,063,406	8,309,968	3,734,546
54. Property lines (Lines 1, 2, 9, 12, 21 & 26)	(14,160)	(165,953)	4,195,390	8,155,526	5,285,816
55. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	111,459	380,359	2,199,675	1,887,727	818,616
56. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
57. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
58. Total (Line 35)	1,692,020	3,118,317	15,458,471	18,353,221	9,838,978
Net Losses Paid (Page 9, Part 2, Col. 4)					
59. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	1,594,721	2,903,911	9,063,406	8,309,968	3,734,546
60. Property lines (Lines 1, 2, 9, 12, 21 & 26)	(14,160)	(165,953)	4,195,390	8,155,526	5,285,816
61. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	111,459	380,359	2,199,675	1,887,727	818,616
62. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
63. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
64. Total (Line 35)	1,692,020	3,118,317	15,458,471	18,353,221	9,838,978
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)			58.2	58.3	56.8
67. Loss expenses incurred (Line 3)			13.2	13.1	13.5
68. Other underwriting expenses incurred (Line 4)			(3.6)	33.2	42.8
69. Net underwriting gain (loss) (Line 8)			31.9	(4.4)	(14.4)
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)			(264.3)	28.9	30.0
71. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)			71.4	71.5	70.3
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)			0.7	163.8	131.1
One Year Loss Development (000 omitted)					
73. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	(294)	(164)	(1,708)	(4,524)	
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)	(0.8)	(0.5)	(6.2)	(14.7)	
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)	(458)	(856)	(1,136)		
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)	(1.3)	(3.1)	(3.7)		

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

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

($000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported-Direct and Assumed
	Direct and Assumed	Ceded	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)	
1. Prior	XXX	XXX	XXX								0	XXX
2. 2002			0								0	XXX
3. 2003			0								0	XXX
4. 2004			0								0	XXX
5. 2005			0								0	XXX
6. 2006			0								0	XXX
7. 2007	27,381		27,381	14,759		772		2,465		14,921	17,996	XXX
8. 2008	39,726		39,726	22,505		1,044		3,200		13,794	26,749	XXX
9. 2009	18,596		18,596	11,198		503		945		4,277	12,646	XXX
10. 2010			0								0	XXX
11. 2011			0								0	XXX
12. Totals	XXX	XXX	XXX	48,462	0	2,319	0	6,610	0	32,992	57,391	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		Total Net Losses and Expenses Unpaid	Number of Claims Outstanding-Direct and Assumed
	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 Subrogation Anticipated		
1. Prior												0	XXX
2. 2002												0	XXX
3. 2003												0	XXX
4. 2004												0	XXX
5. 2005												0	XXX
6. 2006												0	XXX
7. 2007	428		(210)		68				55		20	341	XXX
8. 2008	1,094		(484)		252				136		73	998	XXX
9. 2009	877		(298)		194				123		119	896	XXX
10. 2010											21	0	XXX
11. 2011												0	XXX
12. Totals	2,399	0	(992)	0	514	0	0	0	314	0	233	2,235	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense	Inter-Company Pooling Participation Percentage	35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX			XXX	0	0
2. 2002	0	0	0	0.0	0.0	0.0				0	0
3. 2003	0	0	0	0.0	0.0	0.0				0	0
4. 2004	0	0	0	0.0	0.0	0.0				0	0
5. 2005	0	0	0	0.0	0.0	0.0				0	0
6. 2006	0	0	0	0.0	0.0	0.0				0	0
7. 2007	18,337	0	18,337	67.0	0.0	67.0				218	123
8. 2008	27,747	0	27,747	69.8	0.0	69.8				610	388
9. 2009	13,542	0	13,542	72.8	0.0	72.8				579	317
10. 2010	0	0	0	0.0	0.0	0.0				0	0
11. 2011	0	0	0	0.0	0.0	0.0				0	0
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	1,407	828

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 2002	2 2003	3 2004	4 2005	5 2006	6 2007	7 2008	8 2009	9 2010	10 2011	11 One Year	12 Two Year
1. Prior											0	0
2. 2002											0	0
3. 2003	XXX										0	0
4. 2004	XXX	XXX									0	0
5. 2005	XXX	XXX	XXX								0	0
6. 2006	XXX	XXX	XXX	XXX							0	0
7. 2007	XXX	XXX	XXX	XXX	XXX	16,717	15,973	15,581	15,878	15,817	(61)	236
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX	25,387	24,071	24,626	24,411	(215)	340
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	13,508	12,492	12,474	(18)	(1,034)
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			0	XXX
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
										12. Totals	(294)	(458)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End ($000 omitted)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2002	2 2003	3 2004	4 2005	5 2006	6 2007	7 2008	8 2009	9 2010	10 2011		
1. Prior	000										XXX	XXX
2. 2002											XXX	XXX
3. 2003	XXX										XXX	XXX
4. 2004	XXX	XXX									XXX	XXX
5. 2005	XXX	XXX	XXX								XXX	XXX
6. 2006	XXX	XXX	XXX	XXX							XXX	XXX
7. 2007	XXX	XXX	XXX	XXX	XXX	10,159	13,487	14,572	15,159	15,531	XXX	XXX
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX	15,663	21,203	22,581	23,549	XXX	XXX
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	9,515	11,027	11,701	XXX	XXX
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		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 2002	2 2003	3 2004	4 2005	5 2006	6 2007	7 2008	8 2009	9 2010	10 2011
1. Prior										
2. 2002										
3. 2003	XXX									
4. 2004	XXX	XXX								
5. 2005	XXX	XXX	XXX							
6. 2006	XXX	XXX	XXX	XXX						
7. 2007	XXX	XXX	XXX	XXX	XXX	1,917	334	(210)	(317)	(210)
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX	2,665	(203)	(619)	(484)
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,411	(311)	(298)
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

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

DETAILS OF WRITE-INS

5801.	XXX								
5802.	XXX								
5803.	XXX								
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803+ Line 5898) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

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

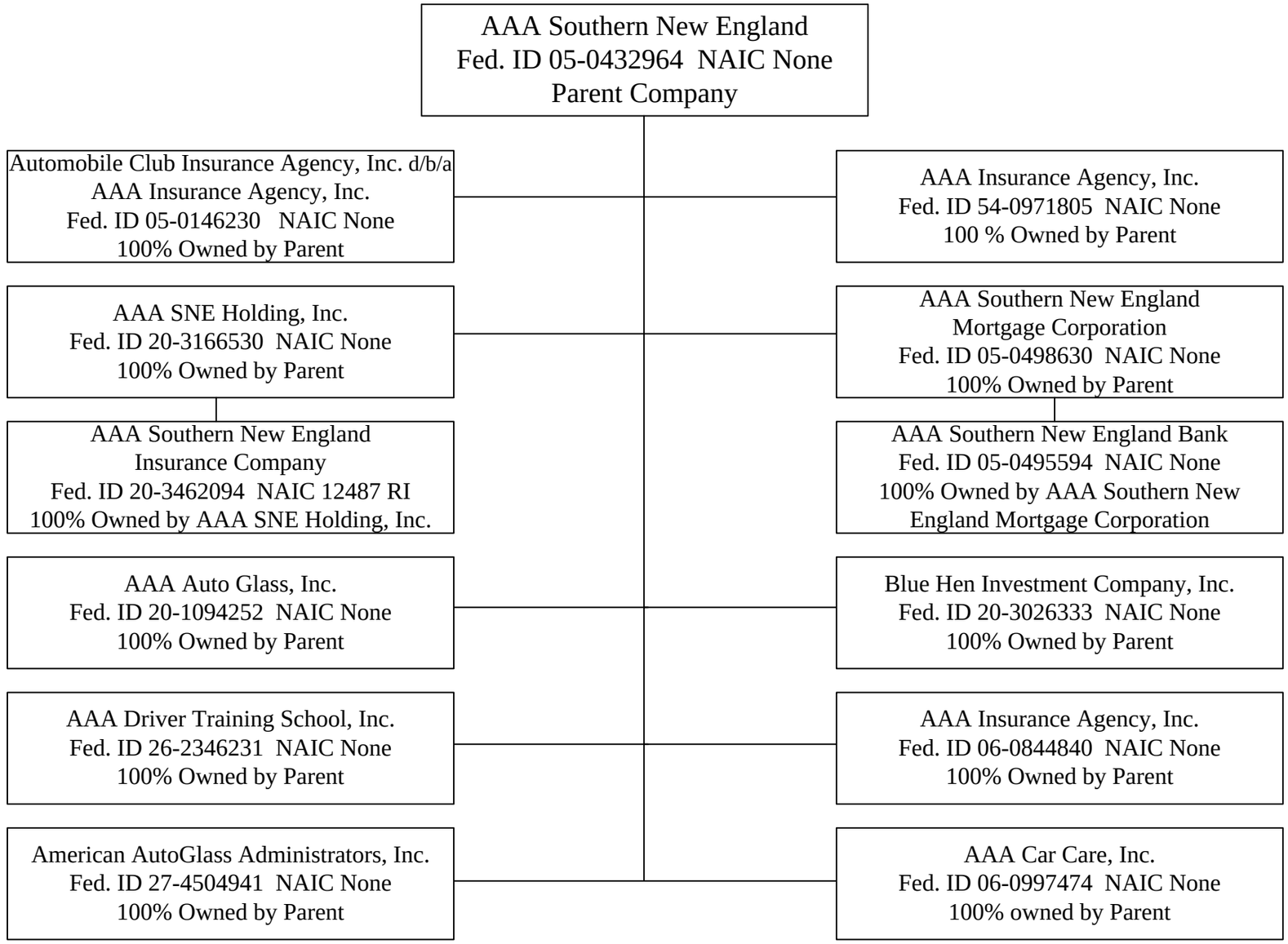
(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

(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.

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

PART 1 – ORGANIZATIONAL CHART



2011 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK

Assets	2	Schedule P–Part 2H–Section 1–Other Liability–Occurrence	56
Cash Flow	5	Schedule P–Part 2H–Section 2–Other Liability–Claims–Made	56
Exhibit of Capital Gains (Losses)	12	Schedule P–Part 2I–Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, Theft)	57
Exhibit of Net Investment Income	12	Schedule P–Part 2J–Auto Physical Damage	57
Exhibit of Nonadmitted Assets	13	Schedule P–Part 2K–Fidelity, Surety	57
Exhibit of Premiums and Losses (State Page)	19	Schedule P–Part 2L–Other (Including Credit, Accident and Health)	57
Five-Year Historical Data	17	Schedule P–Part 2M–International	57
General Interrogatories	15	Schedule P–Part 2N–Reinsurance – Nonproportional Assumed Property	58
Jurat Page	1	Schedule P–Part 2O–Reinsurance – Nonproportional Assumed Liability	58
Liabilities, Surplus and Other Funds	3	Schedule P–Part 2P–Reinsurance – Nonproportional Assumed Financial Lines	58
Notes To Financial Statements	14	Schedule P–Part 2R–Section 1–Products Liability–Occurrence	59
Overflow Page For Write-ins	98	Schedule P–Part 2R–Section 2–Products Liability–Claims-Made	59
Schedule A–Part 1	E01	Schedule P–Part 2S–Financial Guaranty/Mortgage Guaranty	59
Schedule A–Part 2	E02	Schedule P–Part 2T–Warranty	59
Schedule A–Part 3	E03	Schedule P–Part 3A–Homeowners/Farmowners	60
Schedule A–Verification Between Years	SI02	Schedule P–Part 3B–Private Passenger Auto Liability/Medical	60
Schedule B–Part 1	E04	Schedule P–Part 3C–Commercial Auto/Truck Liability/Medical	60
Schedule B–Part 2	E05	Schedule P–Part 3D–Workers' Compensation	60
Schedule B–Part 3	E06	Schedule P–Part 3E–Commercial Multiple Peril	60
Schedule B–Verification Between Years	SI02	Schedule P–Part 3F–Section 1 –Medical Professional Liability–Occurrence	61
Schedule BA–Part 1	E07	Schedule P–Part 3F–Section 2–Medical Professional Liability–Claims-Made	61
Schedule BA–Part 2	E08	Schedule P–Part 3G–Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	61
Schedule BA–Part 3	E09	Schedule P–Part 3H–Section 1–Other Liability–Occurrence	61
Schedule BA–Verification Between Years	SI03	Schedule P–Part 3H–Section 2–Other Liability–Claims-Made	61
Schedule D–Part 1	E10	Schedule P–Part 3I–Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, Theft)	62
Schedule D–Part 1A–Section 1	SI05	Schedule P–Part 3J–Auto Physical Damage	62
Schedule D–Part 1A–Section 2	SI08	Schedule P–Part 3K–Fidelity/Surety	62
Schedule D–Part 2–Section 1	E11	Schedule P–Part 3L–Other (Including Credit, Accident and Health)	62
Schedule D–Part 2–Section 2	E12	Schedule P–Part 3M–International	62
Schedule D–Part 3	E13	Schedule P–Part 3N–Reinsurance – Nonproportional Assumed Property	63
Schedule D–Part 4	E14	Schedule P–Part 3O–Reinsurance – Nonproportional Assumed Liability	63
Schedule D–Part 5	E15	Schedule P–Part 3P–Reinsurance – Nonproportional Assumed Financial Lines	63
Schedule D–Part 6–Section 1	E16	Schedule P–Part 3R–Section 1–Products Liability–Occurrence	64
Schedule D–Part 6–Section 2	E16	Schedule P–Part 3R–Section 2–Products Liability–Claims-Made	64
Schedule D–Summary By Country	SI04	Schedule P–Part 3S–Financial Guaranty/Mortgage Guaranty	64
Schedule D–Verification Between Years	SI03	Schedule P–Part 3T–Warranty	64
Schedule DA–Part 1	E17	Schedule P–Part 4A–Homeowners/Farmowners	65
Schedule DA–Verification Between Years	SI10	Schedule P–Part 4B–Private Passenger Auto Liability/Medical	65
Schedule DB–Part A–Section 1	E18	Schedule P–Part 4C–Commercial Auto/Truck Liability/Medical	65
Schedule DB–Part A–Section 2	E19	Schedule P–Part 4D–Workers' Compensation	65
Schedule DB–Part A–Verification Between Years	SI11	Schedule P–Part 4E–Commercial Multiple Peril	65
Schedule DB–Part B–Section 1	E20	Schedule P–Part 4F–Section 1–Medical Professional Liability–Occurrence	66
Schedule DB–Part B–Section 2	E21	Schedule P–Part 4F–Section 2–Medical Professional Liability–Claims-Made	66
Schedule DB–Part B–Verification Between Years	SI11	Schedule P–Part 4G–Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	66
Schedule DB–Part C–Section 1	SI12	Schedule P–Part 4H–Section 1–Other Liability–Occurrence	66
Schedule DB–Part C–Section 2	SI13	Schedule P–Part 4H–Section 2–Other Liability–Claims-Made	66
Schedule DB–Part D	E22	Schedule P–Part 4I–Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft)	67
Schedule DB–Verification	SI14	Schedule P–Part 4J–Auto Physical Damage	67
Schedule DL–Part 1	E23	Schedule P–Part 4K–Fidelity/Surety	67
Schedule DL–Part 2	E24	Schedule P–Part 4L–Other (Including Credit, Accident and Health)	67
Schedule E–Part 1–Cash	E25	Schedule P–Part 4M–International	67
Schedule E–Part 2–Cash Equivalents	E26	Schedule P–Part 4N–Reinsurance – Nonproportional Assumed Property	68
Schedule E–Part 3–Special Deposits	E27	Schedule P–Part 4O–Reinsurance – Nonproportional Assumed Liability	68
Schedule E–Verification Between Years	SI15	Schedule P–Part 4P–Reinsurance – Nonproportional Assumed Financial Lines	68
Schedule F–Part 1	20	Schedule P–Part 4R–Section 1–Products Liability–Occurrence	69
Schedule F–Part 2	21	Schedule P–Part 4R–Section 2–Products Liability–Claims-Made	69
Schedule F–Part 3	22	Schedule P–Part 4S–Financial Guaranty/Mortgage Guaranty	69
Schedule F–Part 4	23	Schedule P–Part 4T–Warranty	69
Schedule F–Part 5	24	Schedule P–Part 5A–Homeowners/Farmowners	70
Schedule F–Part 6	25	Schedule P–Part 5B–Private Passenger Auto Liability/Medical	71
Schedule F–Part 7	26	Schedule P–Part 5C–Commercial Auto/Truck Liability/Medical	72
Schedule F–Part 8	27	Schedule P–Part 5D–Workers' Compensation	73
Schedule H–Accident and Health Exhibit–Part 1	28	Schedule P–Part 5E–Commercial Multiple Peril	74
Schedule H–Accident and Health Exhibit–Part 2, Part 3 and Part 4	29	Schedule P–Part 5F–Medical Professional Liability–Claims-Made	76
Schedule H–Accident and Health Exhibit–Part 5–Health Claims	30	Schedule P–Part 5F–Medical Professional Liability–Occurrence	75
Schedule P–Part 1–Summary	31	Schedule P–Part 5H–Other Liability–Claims-Made	78
Schedule P–Part 1A–Homeowners/Farmowners	33	Schedule P–Part 5H–Other Liability–Occurrence	77
Schedule P–Part 1B–Private Passenger Auto Liability/Medical	34	Schedule P–Part 5R–Products Liability–Claims-Made	80
Schedule P–Part 1C–Commercial Auto/Truck Liability/Medical	35	Schedule P–Part 5R–Products Liability–Occurrence	79
Schedule P–Part 1D–Workers' Compensation	36	Schedule P–Part 5T–Warranty	81
Schedule P–Part 1E–Commercial Multiple Peril	37	Schedule P–Part 6C–Commercial Auto/Truck Liability/Medical	82
Schedule P–Part 1F–Section 1–Medical Professional Liability–Occurrence	38	Schedule P–Part 6D–Workers' Compensation	82
Schedule P–Part 1F–Section 2–Medical Professional Liability–Claims-Made	39	Schedule P–Part 6E–Commercial Multiple Peril	83
Schedule P–Part 1G-Special Liability (Ocean, Marine, Aircraft (All Perils), Boiler & Machinery)	40	Schedule P–Part 6H–Other Liability–Claims-Made	84
Schedule P–Part 1H–Section 1–Other Liability–Occurrence	41	Schedule P–Part 6H–Other Liability–Occurrence	83
Schedule P–Part 1H–Section 2–Other Liability–Claims-Made	42	Schedule P–Part 6M–International	84
Schedule P–Part 1I–Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft)	43	Schedule P–Part 6N–Reinsurance – Nonproportional Assumed Property	85
Schedule P–Part 1J–Auto Physical Damage	44	Schedule P–Part 6O–Reinsurance – Nonproportional Assumed Liability	85
Schedule P–Part 1K–Fidelity/Surety	45	Schedule P–Part 6R–Products Liability–Claims-Made	86
Schedule P–Part 1L–Other (Including Credit, Accident and Health)	46	Schedule P–Part 6R–Products Liability–Occurrence	86
Schedule P-Part 1M-International	47	Schedule P–Part 7A–Primary Loss Sensitive Contracts	87
Schedule P–Part 1N–Reinsurance – Nonproportional Assumed Property	48	Schedule P–Part 7B–Reinsurance Loss Sensitive Contracts	89
Schedule P–Part 1O–Reinsurance – Nonproportional Assumed Liability	49	Schedule P Interrogatories	91
Schedule P–Part 1P–Reinsurance – Nonproportional Assumed Financial Lines	50	Schedule T–Exhibit of Premiums Written	92
Schedule P–Part 1R–Section 1–Products Liability–Occurrence	51	Schedule T–Part 2–Interstate Compact	93
Schedule P–Part 1R–Section 2–Products Liability–Claims–Made	52	Schedule Y–Information Concerning Activities of Insurer Members of a Holding Company Group	94
Schedule P–Part 1S–Financial Guaranty/Mortgage Guaranty	53	Schedule Y–Detail of Insurance Holding Company System	95
Schedule P–Part 1T–Warranty	54	Schedule Y–Part 2–Summary of Insurer's Transactions With Any Affiliates	96
Schedule P–Part 2, Part 3 and Part 4 - Summary	32	Statement of Income	4
Schedule P–Part 2A–Homeowners/Farmowners	55	Summary Investment Schedule	SI01
Schedule P–Part 2B–Private Passenger Auto Liability/Medical	55	Supplemental Exhibits and Schedules Interrogatories	97
Schedule P–Part 2C–Commercial Auto/Truck Liability/Medical	55	Underwriting and Investment Exhibit Part 1	6
Schedule P–Part 2D–Workers' Compensation	55	Underwriting and Investment Exhibit Part 1A	7
Schedule P–Part 2E–Commercial Multiple Peril	55	Underwriting and Investment Exhibit Part 1B	8
Schedule P–Part 2F–Section 1–Medical Professional Liability–Occurrence	56	Underwriting and Investment Exhibit Part 2	9
Schedule P–Part 2F–Section 2–Medical Professional Liability–Claims–Made	56	Underwriting and Investment Exhibit Part 2A	10
Schedule P–Part 2G–Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	56	Underwriting and Investment Exhibit Part 3	11