

ANNUAL STATEMENT

OF THE

THE FIRST LIBERTY INSURANCE CORPORATION

of **DES MOINES**

in the state of **IOWA**

TO THE

Insurance Department

OF THE

STATE OF

FOR THE YEAR ENDED
December 31, 2005

PROPERTY AND CASUALTY

2005



33588200520100100

ANNUAL STATEMENT
For the Year Ended December 31, 2005
OF THE CONDITION AND AFFAIRS OF THE
The First Liberty Insurance Corporation

NAIC Group Code	0111	0111	NAIC Company Code	33588	Employer's ID Number	04-3058503
	(Current Period)	(Prior Period)				
Organized under the Laws of	Iowa	, State of Domicile or Port of Entry Iowa				
Country of Domicile	United States of America					
Incorporated/Organized:	June 16, 1989			Commenced Business:	June 22, 1989	
Statutory Home Office:	2829 Westown Parkway Suite 300			West Des Moines, IA	50265	
Main Administrative Office:	175 Berkeley Street			Boston, MA	02117	617-357-9500
Mail Address:	175 Berkeley Street			Boston, MA	02117	
Primary Location of Books and Records:	175 Berkeley Street			Boston, MA	02117	617-357-9500
Internet Website Address:	www.LibertyMutual.com					
Statutory Statement Contact:	Douglas Link			617-357-9500	45668	
	Douglas.Link@LibertyMutual.com			617-574-5955		
	(E-Mail Address)			(Fax Number)		
Policyowner Relations Contact:	175 Berkeley Street			Boston, MA	02117	617-357-9500 41015

OFFICERS

	Name	Title
1.	Edmund Francis Kelly	Chairman of the Board, President & CEO
2.	Dexter Robert Legg	Vice President & Secretary
3.	Laurance Henry Soyer Yahia	Vice President & Treasurer

Vice-Presidents

Name	Title	Name	Title
James Paul Condryn, III	Vice President	Anthony Alexander Fontanes	Vice President & Assistant Treasurer
David Henry Long #	Vice President	Dennis James Langwell	Vice President & Chief Financial Officer
Christopher Charles Mansfield	Vice President & Assistant Secretary	Gary Jay Ostrow	Vice President
John Derek Doyle	Vice President & Comptroller		

DIRECTORS OR TRUSTEES

James Paul Condryn, III	Dennis James Langwell	Dexter Robert Legg	Anthony Alexander Fontanes
David Henry Long #	Edmund Francis Kelly	Christopher Charles Mansfield	

State of Massachusetts
County of Suffolk ss

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

(Signature)	(Signature)	(Signature)
Edmund Francis Kelly	Dexter Robert Legg	Laurance Henry Soyer Yahia
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
Chairman of the Board, President & CEO	Vice President & Secretary	Vice President & Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this	a. Is this an original filing?	YES [] NO [X]
_____ day of January, 2006	b. If no:	1. State the amendment number 1
		2. Date filed 03/06/2006
		3. Number of pages attached 2

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)	32,227,390		32,227,390	32,438,979
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	1,267,966		1,267,966	1,215,238
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 0 , Schedule E-Part 1), cash equivalents (\$ 0				
Schedule E-Part 2) and short-term investments (\$ 2,592,617 , Schedule DA)	2,592,617		2,592,617	1,420,734
6. Contract loans (including \$ 0 premium notes)				
7. Other invested assets (Schedule BA)				
8. Receivables for securities				100,239
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	36,087,973		36,087,973	35,175,190
11. Title plants less \$ 0 charged off (for Title insurers only)				
12. Investment income due and accrued	418,015		418,015	450,927
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	728,041	28,699	699,342	671,389
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)	2,069,783		2,069,783	1,915,779
13.3 Accrued retrospective premiums	783,279	79,179	704,100	766,829
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers				
14.2 Funds held by or deposited with reinsured companies				
14.3 Other amounts receivable under reinsurance contracts				
15. Amounts receivable relating to uninsured plans	3,530	3,530		
16.1 Current federal and foreign income tax recoverable and interest thereon	86,236		86,236	
16.2 Net deferred tax asset	1,110,000	288,009	821,991	720,448
17. Guaranty funds receivable or on deposit	56,623		56,623	56,281
18. Electronic data processing equipment and software				
19. Furniture and equipment, including health care delivery assets (\$ 0)				
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates	244,601		244,601	
22. Health care (\$ 0) and other amounts receivable				
23. Aggregate write-ins for other than invested assets	833,666	35,665	798,001	493,225
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	42,421,747	435,082	41,986,665	40,250,068
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	42,421,747	435,082	41,986,665	40,250,068

DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 09 from overflow page				
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)				
2301. Other assets	327,597	26,362	301,235	41,957
2302. Cash surrender value-life insurance	215,085		215,085	189,409
2303. Equities and deposits in pools and associations	31,477		31,477	30,191
2398. Summary of remaining write-ins for Line 23 from overflow page	259,507	9,303	250,204	231,668
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	833,666	35,665	798,001	493,225

LIABILITIES, SURPLUS AND OTHER FUNDS	1	2
	Current Year	Prior Year
1. Losses (Part 2A, Line 34, Column 8)	14,207,137	13,390,241
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3. Loss adjustment expenses (Part 2A, Line 34, Column 9)	2,909,746	2,554,020
4. Commissions payable, contingent commissions and other similar charges	141,257	136,039
5. Other expenses (excluding taxes, licenses and fees)	399,090	490,729
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	299,709	303,559
7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))		66,305
7.2 Net deferred tax liability		
8. Borrowed money \$ 0 and interest thereon \$ 0		
9. Unearned premiums (Part 1A, Line 37, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 216,143,331 and including warranty reserves of \$ 0)	4,199,301	4,033,919
10. Advance premium	51,442	37,502
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders	3,491	11,011
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	229,820	44,223
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	471,795	368,072
19. Payable to parent, subsidiaries and affiliates		469,772
20. Payable for securities		
21. Liability for amounts held under uninsured accident and health plans		
22. Capital notes \$ 0 and interest thereon \$ 0		
23. Aggregate write-ins for liabilities	(1,301,835)	(1,321,853)
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	21,610,953	20,583,539
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	21,610,953	20,583,539
27. Aggregate write-ins for special surplus funds	1,174,771	1,139,371
28. Common capital stock	3,600,000	3,600,000
29. Preferred capital stock		
30. Aggregate write-ins for other than special surplus funds		
31. Surplus notes		
32. Gross paid in and contributed surplus	7,400,000	7,400,000
33. Unassigned funds (surplus)	8,200,941	7,527,158
34. Less treasury stock, at cost:		
34.1 0 shares common (value included in Line 28 \$ 0)		
34.2 0 shares preferred (value included in Line 29 \$ 0)		
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 39)	20,375,712	19,666,529
36. TOTALS (Page 2, Line 26, Col. 3)	41,986,665	40,250,068

DETAILS OF WRITE-INS		
2301. Other liabilities	243,805	213,308
2302. Pooled retroactive reinsurance	(2,257,327)	(2,210,166)
2303. Amounts held under uninsured plans	711,687	673,133
2398. Summary of remaining write-ins for Line 23 from overflow page		1,872
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	(1,301,835)	(1,321,853)
2701. Special surplus from retroactive reinsurance	1,174,771	1,139,371
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	1,174,771	1,139,371
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)		

STATEMENT OF INCOME			1	2
UNDERWRITING INCOME			Current Year	Prior Year
1.	Premiums earned (Part 1, Line 34, Column 4)		10,359,691	9,700,174
DEDUCTIONS				
2.	Losses incurred (Part 2, Line 34, Column 7)		6,607,186	6,448,849
3.	Loss expenses incurred (Part 3, Line 25, Column 1)		1,952,713	1,582,748
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2)		2,583,642	2,414,390
5.	Aggregate write-ins for underwriting deductions			(1,872)
6.	Total underwriting deductions (Lines 2 through 5)		11,143,541	10,444,115
7.	Net income of protected cells			
8.	Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)		(783,850)	(743,941)
INVESTMENT INCOME				
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17)		1,806,598	1,767,343
10.	Net realized capital gains (losses) less capital gains tax of \$ 63,558 (Exhibit of Capital Gains (Losses))		118,036	197,720
11.	Net investment gain (loss) (Lines 9 + 10)		1,924,634	1,965,063
OTHER INCOME				
12.	Net gain (loss) from agents' or premium balances charged off (amount recovered \$ 1,689 amount charged off \$ 37,711)		(36,022)	(46,709)
13.	Finance and service charges not included in premiums		56,692	59,458
14.	Aggregate write-ins for miscellaneous income		(145,237)	(195,878)
15.	Total other income (Lines 12 through 14)		(124,567)	(183,129)
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)		1,016,217	1,037,993
17.	Dividends to policyholders		36,108	39,433
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)		980,109	998,560
19.	Federal and foreign income taxes incurred		357,682	296,265
20.	Net income (Line 18 minus Line 19) (to Line 22)		622,427	702,295
CAPITAL AND SURPLUS ACCOUNT				
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)		19,666,529	18,982,890
GAINS AND (LOSSES) IN SURPLUS				
22.	Net income (from Line 20)		622,427	702,295
23.	Net transfers (to) from Protected Cell accounts			
24.	Change in net unrealized capital gains or (losses) less capital gains tax of \$ (2,903)		(37,549)	18,168
25.	Change in net unrealized foreign exchange capital gain (loss)			
26.	Change in net deferred income tax		74,098	26,868
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 26, Col. 3)		42,928	(78,985)
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 34.1 and 34.2, Column 2 minus Column 1)			
37.	Aggregate write-ins for gains and losses in surplus		7,279	15,293
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37)		709,183	683,639
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 35)		20,375,712	19,666,529

DETAILS OF WRITE-INS				
0501.	North Carolina private passenger auto escrow			(1,872)
0502.				
0503.				
0598.	Summary of remaining write-ins for Line 5 from overflow page			
0599.	Totals (Lines 0501 through 0503 plus Line 0598) (Line 5 above)			(1,872)
1401.	Other income/(expense)		(176,264)	(219,506)
1402.	Retroactive reinsurance gain/(loss)		31,027	23,628
1403.				
1498.	Summary of remaining write-ins for Line 14 from overflow page			
1499.	Totals (Lines 1401 through 1403 plus Line 1498) (Line 14 above)		(145,237)	(195,878)
3701.	Other surplus adjustments		7,279	15,293
3602.				
3703.				
3798.	Summary of remaining write-ins for Line 37 from overflow page			
3799.	Totals (Lines 3701 through 3703 plus Line 3798) (Line 37 above)		7,279	15,293

CASH FLOW		
Cash from Operations		
	1	2
	Current Year	Prior Year
1. Premiums collected net of reinsurance	10,435,311	9,743,470
2. Net investment income	1,866,065	1,724,749
3. Miscellaneous income	(165,219)	(164,961)
4. Total (Lines 1 through 3)	12,136,157	11,303,258
5. Benefit and loss related payments	5,680,330	6,245,926
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	4,184,672	4,000,620
8. Dividends paid to policyholders	43,629	31,930
9. Federal and foreign income taxes paid (recovered) \$ 0 net of tax on capital gains (losses)	573,781	187,645
10. Total (Lines 5 through 9)	10,482,412	10,466,121
11. Net cash from operations (Line 4 minus Line 10)	1,653,745	837,137
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	4,442,746	8,928,657
12.2 Stocks		
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		
12.7 Miscellaneous proceeds	100,240	
12.8 Total investment proceeds (Lines 12.1 to 12.7)	4,542,986	8,928,657
13. Cost of investments acquired (long-term only):		
13.1 Bonds	4,076,116	14,634,069
13.2 Stocks	93,180	82,248
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		100,594
13.7 Total investments acquired (Lines 13.1 to 13.6)	4,169,296	14,816,911
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	373,690	(5,888,254)
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		23,774
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)	(855,552)	4,578,911
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(855,552)	4,602,685
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	1,171,883	(448,432)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	1,420,734	1,869,166
19.2 End of year (Line 18 plus Line 19.1)	2,592,617	1,420,734

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

20.0001.		
20.0002.		
20.0003.		

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1- PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire	220,193	93,279	125,207	188,265
2. Allied lines	70,817	34,111	40,521	64,407
3. Farmowners multiple peril	7			7
4. Homeowners multiple peril	1,274,555	690,036	741,890	1,222,701
5. Commercial multiple peril	153,070	84,754	105,602	132,222
6. Mortgage guaranty				
8. Ocean marine	25,003	42,003	12,789	54,217
9. Inland marine	158,472	35,962	33,389	161,045
10. Financial guaranty				
11.1 Medical malpractice - occurrence	4	1		5
11.2 Medical malpractice - claims-made				
12. Earthquake	25,221	14,105	12,211	27,115
13. Group accident and health				
14. Credit accident and health (group and individual)				
15. Other accident and health	197	9	66	140
16. Workers' compensation	3,523,516	(260,325)	(122,570)	3,385,761
17.1 Other liability - occurrence	506,223	153,924	173,682	486,465
17.2 Other liability - claims-made	180,827	65,719	79,583	166,963
18.1 Products liability - occurrence	116,146	8,813	45,865	79,094
18.2 Products liability - claims-made	3,484		3	3,481
19.1, 19.2 Private passenger auto liability	2,203,776	1,166,881	1,116,626	2,254,031
19.3, 19.4 Commercial auto liability	453,687	136,976	129,699	460,964
21. Auto physical damage	1,328,419	784,078	777,240	1,335,257
22. Aircraft (all perils)	66,395	18,692	16,599	68,488
23. Fidelity	4,543	1,841	2,172	4,212
24. Surety	194,928	99,291	112,702	181,517
26. Burglary and theft	685	293	321	657
27. Boiler and machinery	3,870	1,105	1,671	3,304
28. Credit				
29. International				
30. Reinsurance-Nonproportional Assumed Property	27,762	2,614	4,931	25,445
31. Reinsurance-Nonproportional Assumed Liability	54,290	7,159	5,825	55,624
32. Reinsurance-Nonproportional Assumed Financial Lines				
33. Aggregate write-ins for other lines of business				
34. TOTALS	10,596,090	3,181,321	3,416,024	10,361,387

DETAILS OF WRITE-INS				
3301.				
3302.				
3303.				
3398. Summary of remaining write-ins for Line 33 from overflow page				
3399. Totals (Lines 3301 through 3303 plus 3398) (Line 33 above)				

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1A - RECAPITULATION OF ALL PREMIUMS

(a) Gross premiums (less reinsurance) and unearned premiums on all unexpired risks and reserve for return premiums under rate credit or retrospective rating plans based upon experience.

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (b)	2 Amount Unearned (Running More Than One Year from Date of Policy) (b)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire	113,417	11,790			125,207
2. Allied lines	37,766	2,755			40,521
3. Farmowners multiple peril					
4. Homeowners multiple peril	738,484	3,406			741,890
5. Commercial multiple peril	105,196	406			105,602
6. Mortgage guaranty					
8. Ocean marine	11,876	913			12,789
9. Inland marine	31,389	2,000			33,389
10. Financial guaranty					
11.1 Medical malpractice - occurrence					
11.2 Medical malpractice - claims-made					
12. Earthquake	11,612	599			12,211
13. Group accident and health					
14. Credit accident and health (group and individual)					
15. Other accident and health	66				66
16. Workers' compensation	506,875	30,638		(660,084)	(122,571)
17.1 Other liability - occurrence	179,551	41,458		(47,327)	173,682
17.2 Other liability - claims-made	67,202	12,381			79,583
18.1 Products liability - occurrence	34,142	30,364		(18,642)	45,864
18.2 Products liability - claims-made	3				3
19.1, 19.2 Private passenger auto liability	1,113,490	3,134			1,116,624
19.3, 19.4 Commercial auto liability	188,513	160		(58,974)	129,699
21. Auto physical damage	773,673	3,569		(2)	777,240
22. Aircraft (all perils)	17,285	(686)			16,599
23. Fidelity	2,033	139			2,172
24. Surety	63,989	46,965		1,749	112,703
26. Burglary and theft	321				321
27. Boiler and machinery	1,668	3			1,671
28. Credit	(75)	75			
29. International					
30. Reinsurance-Nonproportional Assumed Property	4,928	3			4,931
31. Reinsurance-Nonproportional Assumed Liability	5,738	87			5,825
32. Reinsurance-Nonproportional Assumed Financial Lines					
33. Aggregate write-ins for other lines of business					
34. TOTALS	4,009,142	190,159		(783,280)	3,416,021
35. Accrued retrospective premiums based on experience					783,280
36. Earned but unbilled premiums					
37. Balance (Sum of Line 34 through 36)					4,199,301

DETAILS OF WRITE-INS					
3301.					
3302.					
3303.					
3398. Summary of remaining write-ins for Line 33 from overflow page					
3399. Totals (Lines 3301 through 3303 plus 3398) (Line 33 above)					

- (a) By gross premiums is meant the aggregate of all the premiums written in the policies or renewals in force.
Are they so returned in this statement? Yes [X] No []
- (b) State here basis of computation used in each case Daily pro rata

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Gross Premiums (Less Return Premiums), Including Policy and Membership Fees
Written and Renewed During Year

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non- Affiliates	4 To Affiliates	5 To Non- Affiliates	
1. Fire	176,854	220,193		176,854		220,193
2. Allied lines	253,132	70,817		253,132		70,817
3. Farmowners multiple peril		7				7
4. Homeowners multiple peril	131,826,487	1,274,555		131,826,487		1,274,555
5. Commercial multiple peril	66,880	153,070		66,880		153,070
6. Mortgage guaranty						
8. Ocean marine	14,652	25,003		14,652		25,003
9. Inland marine	2,364,885	158,472		2,364,885		158,472
10. Financial guaranty						
11.1 Medical malpractice - occurrence		4				4
11.2 Medical malpractice - claims-made						
12. Earthquake	71,863	25,221		71,863		25,221
13. Group accident and health						
14. Credit accident and health (group and individual)						
15. Other accident and health		197				197
16. Workers' compensation	72,850,342	3,523,516		72,850,342		3,523,516
17.1 Other liability - occurrence	933,608	506,223		933,608		506,223
17.2 Other liability - claims-made		180,827				180,827
18.1 Products liability - occurrence	91,766	116,146		91,766		116,146
18.2 Products liability - claims-made		3,484				3,484
19.1, 19.2 Private passenger auto liability	140,926,761	2,203,776		140,926,761		2,203,776
19.3, 19.4 Commercial auto liability	3,686,873	453,687		3,686,873		453,687
21. Auto physical damage	99,440,297	1,328,419		99,440,297		1,328,419
22. Aircraft (all perils)		66,395				66,395
23. Fidelity	1,076	4,543		1,076		4,543
24. Surety		194,928				194,928
26. Burglary and theft	115	685		115		685
27. Boiler and machinery		3,870				3,870
28. Credit						
29. International						
30. Reinsurance-Nonproportional Assumed Property	X X X	27,762				27,762
31. Reinsurance-Nonproportional Assumed Liability	X X X	54,290				54,290
32. Reinsurance-Nonproportional Assumed Financial Lines	X X X					
33. Aggregate write-ins for other lines of business						
34. TOTALS	452,705,591	10,596,090		452,705,591		10,596,090

DETAILS OF WRITE-INS						
3301.						
3302.						
3303.						
3398. Summary of remaining write-ins for Line 33 from overflow page						
3399. Totals (Lines 3301 through 3303 plus 3398) (Line 33 above)						

- (a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [X] No []
- If yes:
1. The amount of such installment premiums \$ 75,016,709

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$ 80,166,062

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5	6	7	8
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A, Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1. Fire	4,031	79,110	4,031	79,110	110,509	71,855	117,764	62.552
2. Allied lines	585,538	80,576	585,538	80,576	60,858	40,916	100,518	156.067
3. Farmowners multiple peril								
4. Homeowners multiple peril	61,061,124	802,275	61,061,124	802,275	255,340	309,211	748,404	61.209
5. Commercial multiple peril	10,000	123,325	10,000	123,325	232,522	255,353	100,494	76.004
6. Mortgage guaranty								
8. Ocean marine	2,468	15,026	2,468	15,026	44,464	64,016	(4,526)	(8.348)
9. Inland marine	513,471	81,392	513,471	81,392	93,247	42,870	131,769	81.821
10. Financial guaranty								
11.1 Medical malpractice - occurrence		135		135	(65)	110	(40)	(800.000)
11.2 Medical malpractice - claims - made								
12. Earthquake		617		617	655	1,286	(14)	(0.052)
13. Group accident and health		774		774	3,712	3,881	605	
14. Credit accident and health (group and individual)								
15. Other accident and health		688		688	3,439	3,613	514	367.143
16. Workers' compensation	27,489,523	1,675,066	27,489,523	1,675,066	7,838,949	7,023,556	2,490,459	73.557
17.1 Other liability - occurrence	8,738	384,597	8,738	384,597	1,737,201	1,715,445	406,353	83.532
17.2 Other liability - claims - made		2,050		2,050	286,930	212,157	76,823	46.012
18.1 Products liability - occurrence		62,318		62,318	414,349	559,112	(82,445)	(104.237)
18.2 Products liability - claims - made		669		669	7,396	5,403	2,662	76.472
19.1, 19.2 Private passenger auto liability	62,205,020	1,379,141	62,205,020	1,379,141	1,946,455	1,994,637	1,330,959	59.048
19.3, 19.4 Commercial auto liability	1,210,463	233,085	1,210,463	233,085	650,665	601,399	282,351	61.252
21. Auto physical damage	52,044,641	677,759	52,044,641	677,759	(38,721)	(49,042)	688,080	51.532
22. Aircraft (all perils)		23,482		23,482	66,497	63,249	26,730	39.029
23. Fidelity		26		26	10,148	7,421	2,753	65.361
24. Surety		51,672		51,672	59,351	65,721	45,302	24.957
26. Burglary and theft		130		130	2,016	1,917	229	34.855
27. Boiler and machinery		539		539	(501)	104	(66)	(1.998)
28. Credit					14	15	(1)	
29. International								
30. Reinsurance-Nonproportional Assumed Property	X X X	41,221		41,221	140,454	118,734	62,941	247.361
31. Reinsurance-Nonproportional Assumed Liability	X X X	67,964		67,964	278,920	275,435	71,449	128.450
32. Reinsurance-Nonproportional Assumed Financial Lines	X X X	94		94	2,333	1,867	560	
33. Aggregate write-ins for other lines of business								
34. TOTALS	205,135,017	5,783,731	205,135,017	5,783,731	14,207,137	13,390,241	6,600,627	63.704

DETAILS OF WRITE-INS								
3301.								
3302.								
3303.								
3398. Summary of remaining write-ins for Line 33 from overflow page								
3399. Totals (Lines 3301 through 3303 + 3398) (Line 33 above)								

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8	9
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Unpaid Loss Adjustment Expenses
1. Fire		75,844		75,844	294	34,665	294	110,509	10,219
2. Allied lines	220,597	55,294	220,597	55,294	2,485	5,564	2,485	60,858	6,650
3. Farmowners multiple peril									88
4. Homeowners multiple peril	17,975,241	87,768	17,975,241	87,768	8,567,153	167,572	8,567,153	255,340	71,460
5. Commercial multiple peril		202,034		202,034	4,157	30,488	4,157	232,522	85,277
6. Mortgage guaranty									
8. Ocean marine		33,251		33,251	4,326	11,212	4,326	44,463	10,070
9. Inland marine	102,677	33,470	102,677	33,470	(4,445)	59,777	(4,445)	93,247	9,025
10. Financial guaranty									
11.1 Medical malpractice - occurrence		266		266		(330)		(64)	6
11.2 Medical malpractice - claims - made									
12. Earthquake		239		239		416		655	99
13. Group accident and health		1,833		1,833		1,879		(a) 3,712	286
14. Credit accident and health (group and individual)									
15. Other accident and health		836		836		2,603		(a) 3,439	115
16. Workers' compensation	53,226,245	5,255,967	53,226,245	5,255,967	66,339,517	2,582,982	66,339,517	7,838,949	923,115
17.1 Other liability - occurrence	546,621	1,036,065	546,621	1,036,065	296,078	701,136	296,078	1,737,201	772,068
17.2 Other liability - claims - made		97,361		97,361		189,569		286,930	86,788
18.1 Products liability - occurrence		141,216		141,216	17,313	273,133	17,313	414,349	245,769
18.2 Products liability - claims - made		3,313		3,313		4,084		7,397	4,676
19.1, 19.2 Private passenger auto liability	46,170,380	1,288,914	46,170,380	1,288,914	23,655,785	657,542	23,655,785	1,946,456	465,527
19.3, 19.4 Commercial auto liability	1,286,856	309,511	1,286,856	309,511	547,324	341,154	547,324	650,665	98,141
21. Auto physical damage		(367)		(367)	(2,139,809)	(38,354)	(2,139,809)	(38,721)	70,728
22. Aircraft (all perils)		40,752		40,752		25,744		66,496	11,913
23. Fidelity		914		914	2,374	9,234	2,374	10,148	2,313
24. Surety		12,403		12,403	(4,162)	46,948	(4,162)	59,351	23,658
26. Burglary and theft		269		269	1,011	1,747	1,011	2,016	225
27. Boiler and machinery		7		7		(508)		(501)	468
28. Credit						14		14	1
29. International									
30. Reinsurance-Nonproportional Assumed Property	X X X	88,612		88,612	X X X	51,843		140,455	2,384
31. Reinsurance-Nonproportional Assumed Liability	X X X	214,053		214,053	X X X	64,866		278,919	8,634
32. Reinsurance-Nonproportional Assumed Financial Lines	X X X	2,375		2,375	X X X	(42)		2,333	43
33. Aggregate write-ins for other lines of business									
34. TOTALS	119,528,617	8,982,200	119,528,617	8,982,200	97,289,401	5,224,938	97,289,401	14,207,138	2,909,746

DETAILS OF WRITE-INS									
3301.									
3302.									
3303.									
3398. Summary of remaining write-ins for Line 33 from overflow page									
3399. Totals (Lines 3301 through 3303 + 3398) (Line 33 above)									

(a) Including \$ 0 for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	12,792,650			12,792,650
1.2 Reinsurance assumed	1,075,946			1,075,946
1.3 Reinsurance ceded	12,792,650			12,792,650
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)	1,075,946			1,075,946
2. Commission and brokerage:				
2.1 Direct, excluding contingent		11,935,071		11,935,071
2.2 Reinsurance assumed, excluding contingent		160,846		160,846
2.3 Reinsurance ceded, excluding contingent		11,935,071		11,935,071
2.4 Contingent-direct		281,878		281,878
2.5 Contingent-reinsurance assumed		88,767		88,767
2.6 Contingent-reinsurance ceded		281,878		281,878
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		249,613		249,613
3. Allowances to manager and agents				
4. Advertising	9,529	90,624	37	100,190
5. Boards, bureaus and associations	2,242	24,002		26,244
6. Surveys and underwriting reports	6	23,372		23,378
7. Audit of assureds' records	5	1		6
8. Salary and related items:				
8.1 Salaries	529,067	988,235	8,577	1,525,879
8.2 Payroll taxes	25,679	69,980	329	95,988
9. Employee relations and welfare	85,703	231,683	435	317,821
10. Insurance	89,281	7,450	10	96,741
11. Directors' fees	3	220		223
12. Travel and travel items	35,268	76,942	123	112,333
13. Rent and rent items	32,083	85,462	133	117,678
14. Equipment	27,000	69,925	147	97,072
15. Cost or depreciation of EDP equipment and software	5,491	29,453	90	35,034
16. Printing and stationery	8,305	20,558	19	28,882
17. Postage, telephone and telegraph, exchange and express	21,739	62,356	334	84,429
18. Legal and auditing	3,679	19,949	763	24,391
19. Totals (Lines 3 to 18)	875,080	1,800,212	10,997	2,686,289
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ 10,898		386,286		386,286
20.2 Insurance department licenses and fees		9,012		9,012
20.3 Gross guaranty association assessments		25,747		25,747
20.4 All other (excluding federal and foreign income and real estate)		28,269		28,269
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		449,314		449,314
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured accident and health plans				
24. Aggregate write-ins for miscellaneous expenses	1,687	84,502	1,189	87,378
25. Total expenses incurred	1,952,713	2,583,641	12,186	(a) 4,548,540
26. Less unpaid expenses-current year	2,909,746	840,056		3,749,802
27. Add unpaid expenses-prior year	2,554,020	930,326		3,484,346
28. Amounts receivable relating to uninsured accident and health plans, prior year				
29. Amounts receivable relating to uninsured accident and health plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	1,596,987	2,673,911	12,186	4,283,084

DETAILS OF WRITE-INS				
2401. Change in unallocated expense reserves	(68,601)			(68,601)
2402. Other expenses	70,288	84,502	1,189	155,979
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page				
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	1,687	84,502	1,189	87,378

(a) Includes management fees of \$ 12,186 to affiliates and \$ 0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1	2
	Collected During Year	Earned During Year
1. U.S. Government bonds	(a) 764,585	749,756
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 925,080	902,972
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates	93,939	93,939
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 68,731	72,756
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	(639)	(639)
10. Total gross investment income	1,851,696	1,818,784
11. Investment expenses		(g) 12,186
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		12,186
17. Net investment income (Line 10 minus Line 16)		1,806,598
DETAILS OF WRITE-INS		
0901. MISCELLANEOUS INCOME/(EXPENSE)	(639)	(639)
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	(639)	(639)
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15, above)		
(a) Includes \$ 24,764 accrual of discount less \$ 51,318 amortization of premium and less \$ 15,550 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 \$ 0 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	2	3	4
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Total
1. U.S. Government bonds				
1.1 Bonds exempt from U.S. tax				
1.2 Other bonds (unaffiliated)	181,594			181,594
1.3 Bonds of affiliates				
2.1 Preferred stocks (unaffiliated)				
2.11 Preferred stocks of affiliates				
2.2 Common stocks (unaffiliated)			(40,452)	(40,452)
2.21 Common stocks of affiliates				
3. Mortgage loans				
4. Real estate				
5. Contract loans				
6. Cash, cash equivalents and short-term investments				
7. Derivative instruments				
8. Other invested assets				
9. Aggregate write-ins for capital gains (losses)				
10. Total capital gains (losses)	181,594		(40,452)	141,142
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)				

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Other invested assets (Schedule BA)			
8. Receivables for securities			
9. Aggregate write-ins for invested assets			
10. Subtotals, cash and invested assets (Lines 1 to 9)			
11. Title plants (for Title insurers only)			
12. Investment income due and accrued			
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	28,699	36,526	7,827
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due		2,004	2,004
13.3 Accrued retrospective premiums	79,179	85,769	6,590
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers			
14.2 Funds held by or deposited with reinsured companies			
14.3 Other amounts receivable under reinsurance contracts			
15. Amounts receivable relating to uninsured plans	3,530	3,791	261
16.1 Current federal and foreign income tax recoverable and interest thereon			
16.2 Net deferred tax asset	288,009	312,552	24,543
17. Guaranty funds receivable or on deposit			
18. Electronic data processing equipment and software			
19. Furniture and equipment, including health care delivery assets			
20. Net adjustment in assets and liabilities due to foreign exchange rates			
21. Receivable from parent, subsidiaries and affiliates			
22. Health care and other amounts receivable			
23. Aggregate write-ins for other than invested assets	35,665	37,748	2,083
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	435,082	478,390	43,308
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
26. Total (Lines 24 and 25)	435,082	478,390	43,308

DETAILS OF WRITE-INS			
0901.			
0902.			
0903.			
0998. Summary of remaining write-ins for Line 09 from overflow page			
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)			
2301. Other assets	26,362	31,464	5,102
2302. Amounts receivable under high deductible policies	9,303	6,284	(3,019)
2303.			
2398. Summary of remaining write-ins for Line 23 from overflow page			
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	35,665	37,748	2,083

NOTES TO FINANCIAL STATEMENTS

Note 1- Summary of Significant Accounting Policies

A. Accounting Practices

Effective January 1, 2001, and subject to any deviations prescribed or permitted by the Iowa Insurance Commissioner, the accompanying financial statements of The First Liberty Insurance Corporation (the “Company”) have been prepared in conformity with the National Association of Insurance Commissioners (“NAIC”) *Accounting Practices and Procedures Manual* (“APP Manual”).

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. It also requires estimates in the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

C. Accounting Policies

Premiums are earned over the terms of the related policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro-rata methods for direct business and are based on reports received from ceding companies for reinsurance assumed. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the Company uses the following accounting policies:

1. Investment grade short-term investments are carried at cost adjusted where appropriate for amortization of premium or discount, or market as specified by the Purposes and Procedures Manual of the NAIC Securities Valuation Office (SVO Manual).
2. Investment grade bonds are carried at cost adjusted where appropriate for amortization of premium or discount, or market as specified by the SVO Manual.
3. Common stocks are carried at market value.
4. The Company does not own preferred stocks.
5. The Company does not own mortgage loans.
6. Mortgage-backed/asset backed securities are stated at amortized value. Prepayment assumptions for single class mortgage-backed/asset backed securities and multi-class securities were obtained from internal estimates. These assumptions are consistent with the current interest rate and economic environment. The retrospective adjustment method is used to value all single class mortgage-backed/asset-backed securities and multi-class securities. Non-investment grade mortgage-backed/asset backed securities are stated at the lower of amortized value or fair value.
7. The Company has no investments in subsidiaries.
8. The Company has no investments in joint ventures, limited partnerships, or limited liability companies.
9. Derivative Instruments, refer to Note 8.
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 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 are continually reviewed and follow current standards of practice. Any adjustments to the liability are reflected in the period that they are determined.
12. The Company did not change its capitalization policy in 2005.

Note 2- Accounting Changes and Correction of Errors

- A. There were no material changes in accounting principles or corrections of errors during the year.

Note 3- Business Combinations and Goodwill

A. Statutory Purchase Method

The Company did not enter into any statutory purchases during the year.

B. Statutory Mergers

The Company did not enter into any statutory mergers during the year.

NOTES TO FINANCIAL STATEMENTS

C. Impairment Loss

Not applicable

Note 4- Discontinued Operations

The Company has no discontinued operations to report.

Note 5- Investments

A. Mortgage Loans, Including Mezzanine Real Estate Loans

The Company does not hold any mortgage loans as investments.

B. Troubled Debt Restructuring for Creditors

Not applicable

C. Reverse Mortgages

The Company has no reverse mortgages.

D. Loan-Backed Securities

1. The Company has elected to use the book value as of January 1, 1994 as the cost for applying the retrospective adjustment method to securities purchased prior to that date, where historical cash flows are not readily available.
2. Prepayment assumptions for single class and multi-class mortgages-backed/asset-backed securities were based upon 1-month historical constant prepayment rates.
3. The Company used IDSI, Bloomberg, and Lehman Index data in determining the market value of the vast majority of its loan-backed securities. A small number of securities are priced in other ways, such as contacting brokers.
4. The Company had no negative yield situations requiring a change from the retrospective to prospective method.

E. Repurchase Agreements

The Company did not enter into any repurchase agreements during the year.

F. Real Estate

The Company does not own real estate.

Note 6- Joint Ventures, Partnerships & Limited Liability Companies

A. The Company has no investments in joint ventures, partnerships, or limited liability companies.

B. The Impairments on joint ventures, partnerships and limited liability companies

Not applicable

Note 7- Investment Income

A. Accrued Investment Income

All investment income due and accrued over 90 days past due is excluded from Surplus.

B. Amounts Nonadmitted

No amounts were excluded as of December 31, 2005.

Note 8- Derivative Instruments

The Company was not a party to any derivative financial instruments during the year.

Note 9 - Income Taxes

A. The components of the net deferred tax assets and liabilities recognized in the Company's Assets, Liabilities, Surplus and Other Funds are as follows:

	December 31, 2005	December 31, 2004	Change
Total of gross deferred tax assets	1,312,000	1,268,172	43,828
Total of deferred tax liabilities	(202,000)	(235,172)	33,172
Net deferred tax asset	1,110,000	1,033,000	77,000
Net deferred tax asset non-admitted	(288,009)	(312,552)	24,543
Net admitted deferred tax asset	821,991	720,448	101,543

B. The Company does not have any deferred tax liabilities described in SSAP No. 10, Income Taxes, paragraph 6d.

NOTES TO FINANCIAL STATEMENTS

C. The provisions for incurred taxes on earnings for the years ended December 31 are:

	2005	2004
Federal tax on operations	357,682	227,063
Net operating loss benefit	0	0
Foreign tax on operations	0	0
Income tax incurred on operations	357,682	227,063
Tax on capital gains	63,558	69,202
Total income tax incurred	421,420	296,265

The Company’s deferred tax assets and liabilities result primarily from discounting of unpaid loss and LAE reserves, limits on unearned premium reserve deductions, deferred compensation deductions, reversal of discount accretion on bonds, deferred inter-company gain, fixed asset depreciation differences, state accruals, bad debt expense and statutory non-admitted assets. The change in deferred income taxes is comprised of the following:

	2005
Change in net deferred income tax (without unrealized gain or loss)	74,097
Tax effect of unrealized (gains) losses	2,903
Total change in net deferred income tax	77,000

- D. Effective tax rates differ from the current statutory rate of 35% principally due to the effects of revisions to prior year estimates, and changes in deferred taxes related to statutory non-admitted assets.
- E. The amount of Federal income taxes paid and available for recoupment in the event of future losses are 368,000 from the current year and none from the preceding year.

The Company had no net loss carryforward available to offset future net income subject to Federal income taxes.

F. The Company's Federal income tax return is consolidated with the following entities:

- Access Insurance Services, Co.

Ambco Capital Corporation

America First Insurance Company

America First Lloyds Insurance Company

American Ambassador Casualty Company

Berkeley Holding Company Associates, Inc.

Berkeley Management Corporation

Bridgefield Casualty Insurance Company

Bridgefield Employers Insurance Company

Capitol Agency, Inc. (Arizona corporation)

Capitol Agency, Inc. (Ohio corporation)

Capitol Agency, Inc. (Tennessee corporation)

Cascade Disability Management, Inc.

Colorado Casualty Insurance Company

Companies Agency Insurance Services of California

Companies Agency of Alabama, Inc.

Companies Agency of Georgia, Inc.

Companies Agency of Kentucky, Inc.

Companies Agency of Massachusetts, Inc.

Companies Agency of Michigan, Inc.

Companies Agency of New York, Inc.

Companies Agency of Pennsylvania, Inc.

Companies Agency of Phoenix, Inc.

Companies Agency, Inc.

Companies Annuity Agency of Texas, Inc.

Consolidated Insurance Company

Copley Venture Capital, Inc.

Countrywide Services Corporation

Diversified Settlements, Inc.

Employers Insurance Company of Wausau

Excelsior Insurance Company

First State Agency, Inc.

Florida State Agency, Inc.

Globe American Casualty Company

Golden Eagle Insurance Corporation

Gulf States AIF, Inc.

Hawkeye-Security Insurance Company

Helmsman Insurance Agency of Illinois, Inc.

Helmsman Insurance Agency of Texas, Inc.

Heritage-Summit Healthcare of Florida, Inc.

Indiana Insurance Company

LEXCO Limited

Liberty Assignment Corporation

Liberty Energy Corporation

Liberty Financial Services, Inc.

Liberty Hospitality Group, Inc.
- Liberty International Holdings, Inc.

Liberty Life Assurance Company of Boston

Liberty Life Holdings, Inc.

Liberty Lloyds of Texas Insurance Company

Liberty Management Services, Inc.

Liberty Mexico Holdings, Inc.

Liberty Mutual Fire Insurance Company

Liberty Mutual Group Inc.

Liberty Mutual Holding Company, Inc.

Liberty Mutual Insurance Company

Liberty Mutual Managed Care, Inc.

Liberty Northwest Insurance Corporation

Liberty Personal Insurance Company

Liberty RE (Bermuda) Limited

Liberty Real Estate Corporation

Liberty Sponsored Insurance (Vermont) Inc.

Liberty Surplus Insurance Corporation

Liberty-USA Corporation

LIH-Re of America Corporation

LIH U.S. P&C Corporation

LIIA Insurance Agency, Inc.

LIU Specialty Agency, Inc.

LLS Insurance Agency of Nevada, Inc.

LM Insurance Corporation

LMHC Massachusetts Holding, Inc.

LRE Properties, Inc.

Mid-American Agency, Inc.

Mid-American Fire and Casualty Company

Missouri Agency, Inc.

North Pacific Insurance Company

Oregon Automobile Insurance Company

Peerless Indemnity Insurance Company

Peerless Insurance Company

LM Personal Insurance Company

LM General Insurance Company

LM Property and Casualty Insurance Company

San Diego Insurance Company

State Agency, Inc. (Indiana corporation)

State Agency, Inc. (Wisconsin corporation)

St. James Insurance Company

Summit Consulting, Inc.

Summit Consulting, Inc. of Louisiana

Summit Holding Southeast, Inc.

The First Liberty Insurance Corporation

The Midwestern Indemnity Company

The National Corporation

NOTES TO FINANCIAL STATEMENTS

Liberty Insurance Company of America	The Netherlands Insurance Company
Liberty Insurance Corporation	Wausau Business Insurance Company
Liberty Insurance Holdings, Inc.	Wausau General Insurance Company
Liberty Insurance Underwriters, Inc.	Wausau Service Corporation
Liberty International Asia Pacific Holdings, Inc.	Wausau Underwriters Insurance Company

The method of federal income tax allocation is subject to a written agreement. Allocation is based upon separate return calculations with credit applied for losses as appropriate. The Company has the enforceable right to recoup prior year payments in the event of future losses.

Note 10- Information concerning Parent, Subsidiaries and Affiliates

- A. All of the outstanding shares of capital stock of the Company are held by Liberty Mutual Insurance Company (the “Parent Company”), a Massachusetts company. Liberty Mutual Insurance Company is wholly owned by Liberty Mutual Group, Inc., a Massachusetts company.
- B. Transactions between the Company and its affiliates are described in Schedule Y Part 2.
- C. There have been no material changes in the terms of any intercompany agreements during 2005.
- D. At December 31, 2005, the Company reported \$244,601 due from affiliates. In general, the terms of the intercompany arrangements require settlement at least quarterly.
- E. The Company has made no guarantee or initiated undertaking for the benefit of affiliates which result in a material contingent exposure of the Company’s or affiliates’ assets or liabilities.
- F. See Note 26 for information regarding intercompany pooling arrangement

There is a “Service Agreement” between the Company and an affiliate, Liberty Mutual insurance Company (LMIC), under which LMIC provides the Company with services of personnel employed by the LMIC, office space, supplies, equipment, telephone and wire services, the use of computers and similar machines to the extent necessary or appropriate. The Company also has an investment services agreement with LMIC. LMIC is reimbursed for the costs of all services which it provides under these agreements.

- G. The Company is part of a holding company structure as illustrated in Schedule Y Part 1.
- H. The Company does not own shares of an upstream company, either directly or indirectly.
- I. The Company has no investments in subsidiary, controlled or affiliated companies.
- J. Not applicable

Note 11- Debt

Not applicable.

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

The Company does not have any direct employees and therefore, does not have any direct obligations for a defined benefit plan, deferred compensation arrangements, compensated absences or other post retirement benefit plans. Services for the operation of the Company are provided under provisions of an intercompany cost-sharing arrangement as described in note 10 F.

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

- 1. The Company has 30,000 shares authorized, issued, and outstanding as of December 31, 2005. All shares have a stated par value of \$120.
- 2. Preferred Stock

Not applicable
- 3. Dividend Restrictions

There are no dividend restrictions.
- 4. The maximum amount of dividends which can be paid by Iowa-domiciled insurance companies to shareholders without prior approval of the Insurance Commissioner is the greater of (a) 10% of policyholders’ surplus, or (b) net income. The maximum dividend payout which may be made without prior approval in 2006 is \$2,037,571.
- 5. As of December 31, 2005, the Company has restricted surplus of \$1,174,771 resulting from retroactive reinsurance contracts.
- 6. The Company had no advances to surplus.
- 7. The Company did not hold stock for special purposes.
- 8. The Company had changes in special surplus funds resulting from retroactive reinsurance contracts during 2005.

NOTES TO FINANCIAL STATEMENTS

9. The portion of unassigned funds (surplus) represented by cumulative unrealized gains and (losses) is \$37,909.
10. Surplus Notes

Not applicable
11. Quasi re-organization (dollar impact)

Not applicable
12. Quasi re-organization (effective date)

Not applicable

Note 14- Contingencies

- A. Contingent Commitments

The Company has no commitments or contingent commitments to affiliates or other entities as indicated in Note 10E and the Company has made no guarantees on behalf of affiliates.
- B. Assessments

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

The Company has accrued a liability for guaranty fund and other assessments of \$296,304 that is offset by future premium tax credits of \$56,677. This represents management’s best estimate based on information received from the states in which the Company writes business and may change due to factors including the company’s share of the ultimate cost of current insolvencies. Current assessments are expected to be paid out in the next five years, while premium tax offsets are expected to be realized in the next ten years.

During 2005 there were no material insolvencies to report. The company continues to remit payments relating to prior year insolvencies.
- C. Gain Contingencies

Not applicable
- D. All other Contingencies

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

Note 15- Leases

- A. Aside from certain sale-leaseback transactions disclosed below, the Company is not involved in material lease arrangements.

The Company has entered into sale-leaseback arrangements with unrelated parties on certain property, plant and equipment. The transactions have been accounted for in accordance with SSAP No. 22. The Company has a purchase option for all PP&E at the end of each respective lease. The Company’s minimum lease obligations under these agreements are as follows:

<u>Year(s)</u>	<u>Sale Lease-back</u>	<u>All Other Operating Lease Arrangements</u>
2006	\$51,765	\$106,116
2007	32,272	84,625
2008	29,751	62,511
2009	24,636	46,141
2010	15,689	32,799
2011 & thereafter	0	159,187
Total	\$154,113	491,379

- B. Leasing as a significant part of lessor’s business activities

Not applicable

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

The Company is not exposed to financial instruments with off-balance sheet risk or with concentrations of credit risk.

NOTES TO FINANCIAL STATEMENTS

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

- A. Transfers of Receivables reported as sales:

The Company did not have any transfers of receivables reported as sales.
- B. Transfers and servicing of financial assets:

The Company did not have any transfers and servicing of financial assets during the year.
- C. Wash Sales

The Company did not have any wash sales transactions during the year.

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

- A. Administrative Services Only (ASO) Plans

Net reimbursement for administrative expenses over actual expenses on uninsured plans and net gain was \$472. Claim payment volume was \$29,836.
- B. Administrative Services Contract (ASC) Plans

Not applicable
- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

Not applicable

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

The Company has no direct premiums written through managing general agents or third party administrators.

Note 20 – September 11 Events

The Company has material exposure to losses arising from the World Trade Center disaster of September 11, 2001. The exposure arises from the property, workers’ compensation, auto, and surety policies and reinsurance contracts written by member companies of the Liberty Mutual Group. The Company shares in the losses via the inter-company pooling agreement. Although uncertainty about the final loss amount still exists, the losses are reasonably estimable and such estimate has been recorded. The Company believes that its reinsurers are financially sound and that reinsurance collectibility is not a significant issue or concern. The amounts recorded by the Company in this annual statement are as follows:

	Direct	Assumed	Gross	Ceded	Net
Paid Loss and ALAE	\$264,257	\$109,364	\$373,621	\$324,877	\$48,744
Loss and ALAE Reserves	136,317	20,722	157,039	112,437	44,602
Incurred Loss and ALAE	\$400,574	\$130,086	\$530,660	\$437,314	\$93,346

Note 21- Other Items

- A. The Company has no extraordinary items to report.
- B. Troubled Debt Restructuring for Debtors

Not applicable
- C. Other Disclosures

1) Florida Special Disability Trust Fund

a) The amount of credit taken by the Company in determination of its loss reserves was \$0 in 2005 and 2004.

b) The Company reported loss recoveries from the Special Disability Trust Fund of \$5,872 in 2005 and \$4,332 in 2005.

c) The amount the Company was assessed by the Special Disability Trust Fund was \$1,104,579 in 2005 and \$1,121,069 in 2004.

2) Assets in the amount of \$7,613,932 and \$8,907,500 as of December 31, 2005 and 2004, respectively, were on deposit with government authorities or trustees as required by law.
- D. The Company routinely assesses the collectibility of its premium receivable. Based upon Company experience, amounts in excess of non-admitted amounts are not believed to be material.
- E. Business Interruption Insurance Recoveries

The Company does not purchase Business Interruption coverage.

NOTES TO FINANCIAL STATEMENTS

F. Additional Pension and Postretirement Disclosure Requirements

Refer to Note 12.

Note 22- Events Subsequent

There were no events subsequent to December 31, 2005 which would require disclosure.

Note 23- Reinsurance

- A. Excluding amounts arising pursuant to the inter-company Reinsurance Agreement, as described in Note 26, there are no unsecured reinsurance recoverables with an individual reinsurer which exceed 3% of policyholders surplus.
- B. There are no reinsurance recoverables in dispute from an individual reinsurer which exceeds 5% of the Company’s surplus. In addition, the aggregate reinsurance recoverables in dispute do not exceed 10% of the Company’s surplus.
- C. The following table sets forth the maximum return premium and commission equity due the reinsurer or the Company if all of the Company’s assumed and ceded reinsurance were canceled as of December 31, 2005.

	Assumed Reinsurance		Ceded Reinsurance		Net Reinsurance	
	UEP	Commission Equity	UEP	Commission Equity	UEP	Commission Equity
Affiliates	\$4,199,301	\$110,710	\$216,143,331	\$5,698,374	\$(211,944,030)	\$(5,587,664)
All Other	0	0	0	0	0	0
Total	\$4,199,301	\$110,710	\$216,143,331	\$5,698,374	\$(211,944,030)	\$(5,587,664)

Direct Unearned Premium Reserve: \$216,143,331

Certain contracts provide for additional or return commissions based on the actual loss experience of the produced or reinsured business. Amounts accrued at December 31, 2005 are as follows:

Description	Direct	Assumed	Ceded	Net
Contingent commissions	\$0	\$66,992	\$0	\$66,992
Sliding scale adjustments	0	0	0	0
Other profit commissions	0	(195,000)	0	(195,000)
Totals	\$0	\$(128,008)	\$0	\$(128,008)

The Company does not use protected cells as an alternative to traditional reinsurance.

- D. The Company has not written off any uncollectible balances in the current year.
- E. The Company has not recorded any commutations in the current year.

NOTES TO FINANCIAL STATEMENTS

F. The Company has one assumed retroactive contract as a result of the intercompany pooling arrangement with Liberty Mutual Insurance Company.

		Assumed	Ceded
a.	Reserves Transferred:		
	1. Initial Reserves	\$(2,193,656)	\$0
	2. Adjustment – Prior Year(s)	124,327	0
	3. Adjustment – Current Year	7,002	0
	4. Total	\$(2,062,327)	\$0
b.	Consideration Paid or Received:		
	1. Initial Reserves	\$(959,051)	\$0
	2. Adjustment – Prior Year(s)	(38,948)	0
	3. Adjustment – Current Year	(45,173)	0
	4. Total	\$(1,043,172)	\$0
c.	Amounts Recovered / Paid - Cumulative		
	1. Initial Reserves	\$(26,322)	\$0
	2. Adjustment – Prior Year(s)	(96,350)	0
	3. Adjustment – Current Year	(43,988)	0
	4. Total	\$(166,660)	\$0
d.	Special Surplus from Retroactive Reinsurance		
	1. Initial Reserves	\$1,251,852	\$0
	2. Adjustment – Prior Year(s)	(66,925)	0
	3. Adjustment – Current Year	(10,156)	0
	4. Total	1,174,771	\$0
	5. Cumulative Total Transferred To Unassigned Funds	\$11,044	
e.	Other insurers included in the above transactions:		
		Assumed	Ceded
	Liberty Mutual Insurance Company, 23043	\$(2,062,327)	\$0

- f. There are no reinsurance contracts covering losses that have occurred prior to the inception of the contract that have not been accounted for in conformity with the NAIC Accounting Practices and Procedures Manual.
- G. There are no contracts recorded as deposit accounting.

Note 24 - Retrospectively Rated Contracts and Contracts Subject to Redetermination

- A. Accrued retrospective premiums reported in Line 13.3 of the assets have been determined based upon loss experience on business subject to such experience rating adjustment. Accrued retrospectively rated premiums, including all of those relating to bulk IBNR, have been determined by or allocated to individual policyholder accounts.
- B. The Company records accrued retrospective premium as an adjustment to earned premium.
- C. For detail of net premium written subject to retrospective rating features see Schedule P – Part 7A.
- D. Ten percent of the amount not offset by retrospective return premiums or collateral has been designated non-admitted and charged to surplus.

Total accrued retro premium	\$783,279
Less: Non-admitted amount	79,179
Admitted amount	<u>\$704,100</u>

Note 25 - Changes in Incurred Losses and Loss Adjustment Expenses

Reserves for incurred loss and loss adjustment expenses attributed to insured events of prior years has increased during 2005 primarily as a result of rising loss development trends in workers’ compensation and general liability. The increase also reflects the completion of the Company’s biennial ground-up asbestos reserve study in the third quarter. Refer to Note 33 for further details. Original estimates are revised as additional information becomes known regarding individual claims.

NOTES TO FINANCIAL STATEMENTS

Note 26- Intercompany Pooling Arrangements

The Company is a member of the Liberty Mutual Inter-Company Reinsurance Agreement consisting of the following affiliated companies:

		NAIC Co. #	Pooling %	Lines of Business
Lead Company:	Liberty Mutual Insurance Company (LMIC)	23043	66.5%	All Lines
Affiliated Pool Companies:	Employers Insurance Company of Wausau (EICOW)	21458	16.00%	All Lines
	Liberty Mutual Fire Insurance Company (LMFIC)	23035	10.00%	All Lines
	Liberty Insurance Corporation (LIC)	42404	6.00%	All Lines
	Wausau Business Insurance Company (WBIC)	26069	0.40%	All Lines
	Wausau General Insurance Company (WGIC)	26425	0.40%	All Lines
	Wausau Underwriters Insurance Company (WUIC)	26042	0.40%	All Lines
	LM Insurance Corporation (LM Ins Corp)	33600	0.20%	All Lines
	The First Liberty Insurance Corporation (FLIC)	33588	0.10%	All Lines
	Liberty Personal Insurance Company (LPIC)	11746	0.00%	All Lines
	Liberty Insurance Company of America (LICA)	10337	0.00%	All Lines
	Liberty Surplus Insurance Corporation (LSIC)	10725	0.00%	All Lines
			100.00%	
100% Quota Share Affiliated Companies:	Liberty Lloyd's of Texas Insurance Company (Lloyds)	11041	0.00%	All Lines
	Liberty County Mutual Insurance Company (LCMIC)	19544	0.00%	All Lines
	Liberty Insurance Underwriters, Inc. (LIU)	19917	0.00%	All Lines
	Bridgefield Employers Insurance Company (BEIC)	10701	0.00%	All Lines
	Bridgefield Casualty Insurance Company (BCIC)	10335	0.00%	All Lines
	LM Property and Casualty Insurance Company (LMPAC)	32352	0.00%	All Lines
	LM General Insurance Company (LMGIC)	36447	0.00%	All Lines
	LM Personal Insurance Company (LMPIC)	36439	0.00%	All Lines

Under the terms of the Reinsurance Agreements, the sequence of transactions is as follows:

- (a) Except for WBIC, WGIC and WUIC, each Affiliated Pool Company cedes its underwriting activity to the lead company. WBIC, WGIC and WUIC cede 100% of its direct underwriting activity to EICOW.
- (b) With the exception of LMGIC and LMPIC, each 100% Quota Share Affiliated company cedes its net underwriting activity to the lead company. LMGIC and LMPIC cede its net underwriting activity to LMPAC.
- (c) After recording the assumed affiliate transactions noted above, the lead company records 100% of its external assumed and ceded reinsurance activity.
- (d) The lead company's remaining underwriting activity, after processing all internal and external reinsurance, is retroceded to the pool members in accordance with each company's pool participation percentage, as noted above.
- (e) There were no members that are parties to reinsurance agreements with non-affiliated reinsurers covering business subject to the pooling agreement and have a contractual right of direct recovery from the non-affiliated reinsurer per the terms of such reinsurance agreements.
- (f) There were no discrepancies between entries regarding pooled business on the assumed and ceded reinsurance schedules of the lead company and corresponding entries on the assumed and ceded reinsurance schedules of other pooled participants.
- (g) The write-off of uncollectible reinsurance is pooled and the provision for reinsurance is recognized by the entity placing the outbound external reinsurance.

Note 27- Structured Settlements

- A. As a result of purchased annuities with the claimant as payee, The Company no longer carries reserves of \$1,330,401 after applying Inter-Company Reinsurance Agreement percentages. The Company is contingently liable should the issuers of the purchased annuities fail to perform under the terms of the annuities. The amount of unrecorded loss contingencies related to the purchased annuities was \$1,330,401 as of December 31, 2005.

NOTES TO FINANCIAL STATEMENTS

B. A summary of purchased structured settlement annuities exceeding 1% of policyholders’ surplus and whereby the company has not obtained a release of liability from the claimant is as follows:

Life Insurance Company & Location	Licensed in Company’s State of Domicile (Yes/No)	Statement Value of Annuities
The Prudential Insurance Company of America Newark, New Jersey	Yes	\$536,165
Liberty Life Assurance Company of Boston Boston, Massachusetts	Yes	\$543,400

Note 28 - Health Care Receivables

Not applicable

Note 29 - Participating Policies

Not applicable

Note 30 – Premium Deficiency Reserves

As of December 31, 2005, the Company had no liabilities related to premium deficiency reserves. The Company considers anticipated investment income when calculating its premium deficiency reserves.

Note 31- High Dollar Deductible Policies

As of December 31, 2005, the amount of reserve credit recorded for high dollar deductible policies on unpaid losses was \$4,188,770 and the amount billed and recoverable on paid claims was \$259,507.

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

For Workers Compensation, the Company discounts its reserves for unpaid losses using a tabular discount on the long-term annuity portion of certain workers compensation claims. The tabular discount is based on Unit Statistical Plan tables as approved by the respective states at an annual discount rate of 4.0%. Asbestos structured settlements are discounted at 4.5% The December 31, 2005, liabilities include \$3,418,348 of liabilities carried at a discounted value of \$2,099,541 representing a discount of \$1,318,807.

For all other lines, the Company does not discount its reserves for unpaid losses and loss adjustment expenses.

Note 33- Asbestos/Environmental Reserves

The Company has exposure to asbestos and environmental claims which emanate principally from general liability policies written prior to the mid-1980’s. In establishing the Company’s asbestos and environmental reserves, the Company estimates case basis reserves for anticipated losses and bulk reserves for loss adjustment expenses and incurred but not reported losses. The Company maintained casualty excess of loss reinsurance during the relevant periods. The reserves are reported net of expected recoveries from reinsurers and include any reserves reported by ceding reinsurers on assumed reinsurance contracts.

Upon their de-affiliation from the Nationwide Group and re-affiliation with the Company, EICOW, Wausau Business Insurance Company (“WBIC”), Wausau General Insurance Company (“WGIC”), and Wausau Underwriters Insurance Company (“WUIC”) entered into ceded reinsurance contracts whereby Nationwide Indemnity Company assumed full responsibility for obligations on certain policies with effective dates prior to January 1, 1986, including all asbestos and environmental exposures.

Factors Contributing to Uncertainty in Establishing Adequate Reserves

The process of establishing reserves for asbestos and environmental claims is subject to greater uncertainty than the establishment of reserves for liabilities relating to other types of insurance claims. A number of factors contribute to this greater uncertainty surrounding the establishment of asbestos and environmental reserves, including, without limitation: (i) the lack of available and reliable historical claims data as an indicator of future loss development, (ii) the long waiting periods between exposure and manifestation of any bodily injury or property damage, (iii) the difficulty in identifying the source of asbestos or environmental contamination, (iv) the difficulty in properly allocating liability for asbestos or environmental damage, (v) the uncertainty as to the number and identity of insureds with potential exposure, (vi) the cost to resolve claims, and (vii) the collectibility of reinsurance.

The uncertainties associated with establishing reserves for asbestos and environmental losses and loss adjustment expenses are compounded by the differing, and at times inconsistent, court rulings on environmental and asbestos coverage issues involving: (i) the differing interpretations of various insurance policy provisions and whether asbestos and environmental losses are or were ever intended to be covered, (ii) when the loss occurred and what policies provide coverage, (iii) whether there is an insured obligation to defend, (iv) whether a compensable loss or injury has occurred, (v) how policy limits are determined, (vi) how policy exclusions are applied and interpreted, (vii) the impact of entities seeking bankruptcy protection as a result of asbestos-related liabilities, (viii) whether clean-up costs are covered as insured property damage, and (ix) applicable coverage defenses or determinations, if any, including the determination as to whether or not an asbestos claim is a products/completed operation claim subject to an aggregate limit and the available coverage, if any, for that claim.

NOTES TO FINANCIAL STATEMENTS

In recent years the Company, as well as the industry generally, has witnessed a significant increase in the number of asbestos claims being filed, due to a number of variables, including more intensive advertising by lawyers seeking asbestos claimants, and the increasing focus by plaintiffs on new and previously peripheral defendants, attempts to broaden the interpretation of compensable loss, and courts expanding the scope of the coverage.

Uncertainty Regarding Reserving Methodologies

As a result of the significant uncertainty inherent in determining a company's asbestos and environmental liabilities and establishing related reserves, the amount of reserves required to adequately fund the Company's asbestos and environmental claims cannot be accurately estimated using conventional reserving methodologies based upon historical data and trends. As a result, the use of conventional reserving methodologies frequently has to be supplemented by subjective considerations including managerial judgment.

During the third quarter of 2005, the Company completed its biennial ground-up asbestos reserve study. As part of that review, a multi-disciplined team of internal claims, legal, reinsurance and actuarial personnel completed their comprehensive review of the Company's asbestos exposure on a direct, assumed, and ceded basis including potential exposures of large policyholders that were individually evaluated using the company's proprietary stochastic model, which is consistent with the latest published actuarial paper on asbestos reserving. Among the factors reviewed in depth by the team specialists were the type of business, level of exposure, coverage limits, geographic distribution of products, types of injury, state jurisdictions, legal defenses, and reinsurance potential. Small policyholders were evaluated using aggregate methods that utilized information developed from the large policyholders. Additionally, a provision of pure IBNR was established for the potential emergence of first-time filers of future asbestos claims. Based on this internal study, the Company increased its asbestos reserves by \$203,000.

Effect of Uncertainty in Reserving For Asbestos and Environmental Claims on Company's Financial Condition

The methods of determining estimates for reported and unreported losses and establishing resulting reserves and related reinsurance recoverables are periodically reviewed and updated, and adjustments resulting from this review are reflected in income currently.

As a direct result of the significant uncertainties associated with estimating its asbestos and environmental exposures and establishing appropriate levels of reserves, the ultimate liability of the Company for asbestos and environmental exposures may vary materially from the reserves currently recorded. The Company and other industry members have and will continue to litigate the broadening judicial interpretation of policy coverage and the liability issues. If the courts continue to expand the scope of the coverage provided, additional liabilities could emerge for amounts in excess of reserves held. This emergence, as well as the other uncertainties noted above, cannot now be reasonably estimated, but could have a material impact on the Company's future operating results, and financial condition.

The table below summarizes reserve and loss activity for the Company's asbestos and environmental loss and loss adjustment expenses for each of the five most recent calendar years. Gross reserves for both asbestos and environmental are representative of all Liberty pooled companies. Net reserves for asbestos and environmental are allocated based on the Company's Intercompany Reinsurance Agreement as discussed in Note 26.

<u>Asbestos:</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Direct Basis					
Beginning Reserves	1,319,613	1,356,346	1,479,061	1,578,428	1,702,462
Incurred losses and LAE	255,995	413,328	427,016	412,074	554,239
Calendar year payments	219,262	290,613	327,649	288,040	258,451
Ending Reserves	1,356,346	1,479,061	1,578,428	1,702,462	1,998,250
Assumed Reinsurance Basis					
Beginning Reserves	75,124	108,986	186,956	262,258	489,590
Incurred losses and LAE	34,743	80,965	115,240	262,040	54,444
Calendar year payments	881	2,995	39,938	34,708	30,155
Ending Reserves	108,986	186,956	262,258	489,590	513,879
Net of Ceded Reinsurance Basis					
Beginning Reserves	778,990	842,963	960,014	1,124,589	951,468
Incurred losses and LAE	177,855	290,328	313,003	3,532	219,369
Calendar year payments	113,882	173,277	148,428	176,653	128,481
Ending Reserves	842,963	960,014	1,124,589	951,468	1,042,356

NOTES TO FINANCIAL STATEMENTS

Ending Reserves for Bulk + IBNR included above (Loss & LAE)	
Direct Basis	1,047,311
Assumed Reinsurance Basis	390,415
Net of Ceded Reinsurance Basis	445,003
Ending Reserves for LAE included above (Case, Bulk & IBNR)	
Direct Basis	737,435
Assumed Reinsurance Basis	4,555
Net of Ceded Reinsurance Basis	317,342

<u>Environmental:</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Direct Basis					
Beginning Reserves	717,910	570,268	446,505	321,706	710,181
Incurred losses and LAE	(79)	44,097	(54,877)	460,123	158,566
Calendar year payments	147,563	167,860	69,922	71,648	182,749
Ending Reserves	570,268	446,505	321,706	710,181	685,998
Assumed Reinsurance Basis					
Beginning Reserves	111,562	110,958	117,866	55,916	70,885
Incurred losses and LAE	(11)	8,638	(56,322)	20,338	(12,230)
Calendar year payments	593	1,730	5,628	5,369	6,335
Ending Reserves	110,958	117,866	55,916	70,885	52,320
Net of Ceded Reinsurance Basis					
Beginning Reserves	447,444	425,393	306,459	257,738	526,713
Incurred losses and LAE	89,541	(10,889)	(8,000)	315,986	509
Calendar year payments	111,592	108,045	40,721	47,010	100,401
Ending Reserves	425,393	306,459	257,738	526,713	426,821

Ending Reserves for Bulk + IBNR included above (Loss & LAE)	
Direct Basis	490,416
Assumed Reinsurance Basis	31,203
Net of Ceded Reinsurance Basis	272,760
Ending Reserves for LAE included above (Case, Bulk & IBNR)	
Direct Basis	272,760
Assumed Reinsurance Basis	1,065
Net of Ceded Reinsurance Basis	158,292

Note 34- Subscriber Savings Accounts

The Company is not a reciprocal insurance company.

Note 35 - Multiple Peril Crop Insurance

Not applicable

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities	9,968,555	27.623	9,968,555	27.623
1.2 U.S. government agency obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies	6,102,301	16.910	6,102,301	16.910
1.22 Issued by U.S. government sponsored agencies				
1.3 Foreign government (including Canada, excluding mortgage-backed securities)				
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations				
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations				
1.43 Revenue and assessment obligations				
1.44 Industrial development and similar obligations				
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Issued or guaranteed by GNMA	71,659	0.199	71,659	0.199
1.512 Issued or guaranteed by FNMA and FHLMC	1,874,585	5.194	1,874,585	5.194
1.513 All other				
1.52 CMOs and REMICs:				
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA				
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage- backed securities issued or guaranteed by agencies shown in Line 1.521				
1.523 All other				
2. Other debt and other fixed income securities (excluding short term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	13,213,104	36.614	13,213,104	36.614
2.2 Unaffiliated foreign securities	997,185	2.763	997,185	2.763
2.3 Affiliated securities				
3. Equity interests:				
3.1 Investments in mutual funds	1,267,966	3.514	1,267,966	3.514
3.2 Preferred stocks:				
3.21 Affiliated				
3.22 Unaffiliated				
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated				
3.32 Unaffiliated				
3.4 Other equity securities:				
3.41 Affiliated				
3.42 Unaffiliated				
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated				
3.52 Unaffiliated				
4. Mortgage loans:				
4.1 Construction and land development				
4.2 Agricultural				
4.3 Single family residential properties				
4.4 Multifamily residential properties				
4.5 Commercial loans				
4.6 Mezzanine real estate loans				
5. Real estate investments:				
5.1 Property occupied by company				
5.2 Property held for production of income (including \$ 0 of property acquired in satisfaction of debt)				
5.3 Property held for sale (including \$ 0 property acquired in satisfaction of debt)				
6. Contract loans				
7. Receivables for securities				
8. Cash, cash equivalents and short-term investments	2,592,617	7.184	2,592,617	7.184
9. Other invested assets				
10. Total invested assets	36,087,972	100.000	36,087,972	100.000

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 ☒ 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 ☒ No ☐ N/A ☐

1.3

State Regulating?

Iowa

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 ☒

2.2

If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2004

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.

12/31/1999

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).

07/27/2001

3.4

By what department or departments? Iowa Insurance Division

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 ☒

4.12

renewals?

Yes ☐ No ☒

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 ☒

4.22

renewals?

Yes ☐ No ☒

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒

5.2

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

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

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action either formal or informal, if a confidentiality clause is part of the agreement.)

Yes ☐ No ☒

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 ☒

7.2

If yes,

7.21

State the percentage of foreign control

0 %

7.22

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

1 Nationality	2 Type of Entity

8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes ☐ No ☒

8.2

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

8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes ☐ No ☒

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young, LLP
200 Clarendon Street, Boston, MA 02116

10. 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? Robert T. Muleski
175 Berkeley Street, Boston, MA 92117
Officer of Liberty Mutual Insurance Company

11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

11.11 Name of real estate holding company

11.12 Number of parcels involved

11.13 Total book/adjusted carrying value

Yes [] No [X]

\$

11.2 If yes, provide explanation

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

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

12.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

12.3 Have there been any changes made to any of the trust indentures during the year?

12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes?

Yes [] No [X]

Yes [] No [X]

Yes [] No [] N/A [X]

BOARD OF DIRECTORS

13. 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?

14. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?

15. 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 []

Yes [X] No []

Yes [X] No []

FINANCIAL

16.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

16.11 To directors or other officers

16.12 To stockholders not officers

16.13 Trustees, supreme or grand (Fraternal only)

16.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

16.21 To directors or other officers

16.22 To stockholders not officers

16.23 Trustees, supreme or grand (Fraternal only)

17.1 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?

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

17.21 Rented from others

17.22 Borrowed from others

17.23 Leased from others

17.24 Other

\$

\$

\$

\$

\$

\$

\$

\$

18.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

18.2 If answer is yes:

18.21 Amount paid as losses or risk adjustment

Yes [] No [X]

\$

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

18.22 Amount paid as expenses

18.23 Other amounts paid

\$

\$

19.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [X] No []

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

\$

INVESTMENT

20.1 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, except as shown by Schedule E - Part 3 - Special Deposits?

Yes [X] No []

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

21.1 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, except as shown on Schedule E - Part 3 - Special Deposits, 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 17.1).

Yes [] No [X]

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

21.21 Loaned to others

21.22 Subject to repurchase agreements

21.23 Subject to reverse repurchase agreements

21.24 Subject to dollar repurchase agreements

21.25 Subject to reverse dollar repurchase agreements

21.26 Pledged as collateral

21.27 Placed under option agreements

21.28 Letter stock or securities restricted as to sale

21.29 Other

\$

\$

\$

\$

\$

\$

\$

\$

\$

21.3 For category (21.28) provide the following:

1	2	3
Nature of Restriction	Description	Amount

22.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes [] No [X]

22.2 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.

23.1 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]

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

\$

24. Excluding items in Schedule E, 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 Part 1-General, Section IV.H-Custodial or Safekeeping agreements of the NAIC Financial Condition Examiners Handbook?

Yes [X] No []

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

1	2
Name of Custodian(s)	Custodian's Address
JP MORGAN CHASE	3 METRO TECH CENTER, BROOKLYN NY 11245

24.02 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	2	3
Name(s)	Location(s)	Complete Explanation(s)

24.03 Have there been any changes, including name changes, in the custodian(s) identified in 24.01 during the current year?

Yes [] No [X]

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

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

24.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/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

25.1 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 []

25.2 If yes, complete the following schedule:

1 CUSIP#	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
42982#100	LMIA HIGH YIELD FUND	1,267,966
25.2999	Total	1,267,966

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
LMIA HIGH YIELD FUND	JP MORGAN PRIME MONEY MARKET FUND	59,468	12/31/2005
LMIA HIGH YIELD FUND	VENTAS REALTY LP/CAP CRP	23,711	12/31/2005
LMIA HIGH YIELD FUND	PIERRE FOODS INC.	17,752	12/31/2005
LMIA HIGH YIELD FUND	VALENT PHARMACEUTICALS	17,371	12/31/2005
LMIA HIGH YIELD FUND	SUPERIOR ENERGY SERV	16,103	12/31/2005

26. 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 (+)
26.1 Bonds	34,820,007	34,771,739	(48,268)
26.2 Preferred stocks			
26.3 Totals	34,820,007	34,771,739	(48,268)

26.4 Describe the sources or methods utilized in determining the fair values: IDC, BLOOMBERG, NAIC, SVO, BROKER QUOTES
ANALYTICALLY DETERMINED

27.1 Have all the filing requirements of the Purposes and Procedures manual of the NAIC Securitties Valuation Office been followed? Yes [X] No []

27.2 If no, list exceptions:

OTHER

28.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$

28.2 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
	\$
	\$
	\$

29.1 Amount of payments for legal expenses, if any? \$

29.2 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
	\$
	\$

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

1	2
Name	Amount Paid
	\$

- 30.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?
- \$
- 30.2 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	2
Name	Amount Paid
	\$
	\$
	\$
	\$

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

YES [] NO [X]

1.2

If yes, indicate premium earned on U. S. business only.

\$

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

\$

141

2.2

Premium Denominator

\$

10,359,691

2.3

Premium Ratio (2.1/2.2)

2.4

Reserve Numerator

\$

7,618

2.5

Reserve Denominator

\$

21,316,184

2.6

Reserve Ratio (2.4/2.5)

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 Exchange only:

4.1

Does the reporting entity issue assessable policies?

YES [] NO [X]

4.2

Does the reporting entity issue non-assessable policies?

YES [] NO [X]

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 [X]

5.2

If yes, is the commission paid:

5.21

Out of Attorney's-in-fact compensation

YES [] NO [] N/A [X]

5.22

As a direct expense of the exchange

YES [] NO [] N/A [X]

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 [X]

5.5

If yes, give full information

17

GENERAL INTERROGATORIES

(Continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

6.1	What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss: In 2005, the Company purchased a Workers' Compensation Catastrophe Treaty with limits of \$450M part of \$600M xs \$100M.	
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: For its North American exposures, the Company employs industry recognized catastrophe modeling software to estimate the PML. For property exposures, we employ RiskLink v5.0 from RMS and AIR Classic/2 v7.0 from AIR. For WC, the Company utilizes RiskLink v5.0 from RMS.	
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? In 2005, the Company purchased a Property Catastrophe Treaty with limits of \$860M part of \$1.15B xs \$250M.	
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 [X] NO []
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 uninsured 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 [X] NO []
7.2	If yes, indicate the number of reinsurance contracts containing such provisions.	1
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 [X] NO []
8.1	Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on 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 3% 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 3% 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) An unconditional or unilateral right by either party to commute the reinsurance contract 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), excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where: (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates.	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 Interrogatroy 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 30 of SSAP No. 62, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either: (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?	YES [] NO [X]
9.5	If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.	
10.	If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?	YES [X] NO [] N/A []
11.1	Has the reporting entity guaranteed policies issued by any other entity and now in force:	YES [] NO [X]
11.2	If yes, give full information	

GENERAL INTERROGATORIES

(Continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 13.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11	Unpaid losses	\$	1,679,601
-------	---------------	----	-----------

12.12	Unpaid underwriting expenses (including loss adjustment expenses)	\$	262,765
-------	---	----	---------

12.2 Of the amount on Line 13.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds? \$ 420,998

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?

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

12.41	From	5.500 %
-------	------	---------

12.42	To		6.000 %
-------	----	--	---------

<p>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?</p>	<p>YES <input checked="" type="checkbox"/> NO <input type="checkbox"/></p>
--	--

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

12.61	Letters of Credit	\$	7,383,116
-------	-------------------	----	-----------

12.62	Collateral and other funds	\$	575.979
-------	----------------------------	----	---------

13.1	What amount of installment notes is owned and now held by the reporting entity?	\$
------	---	----

13.2 Have any of these notes been hypothecated, sold or used in any manner as security for money loaned within the past year? YES [] NO [X]

13.3 If yes, what amount? \$

14.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):	\$	101,559
--	----	---------

14.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? YES [X] NO []

14.3 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.

15.1 Is the company a cedant in a multiple cedant reinsurance contract? YES ☒ NO ☐

15.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
 Premiums and recoverables were allocated pursuant to separate intercompany pooling agreements.

15.3 If the answer to 15.1 is yes, are the methods described in item 15.2 entirely contained in the respective multiple cedant reinsurance contracts? YES ☐ NO ☒

15.4 If the answer to 15.3 is no, are all the methods described in 15.2 entirely contained in written agreements? YES ☒ NO ☐

15.5 If the answer to 15.4 is no, please explain:

16.1 Has the reporting entity guaranteed any financed premium accounts? YES ☐ NO ☒

16.2 If yes, give full information

17.1 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	2	3	4	5
	Direct Losses Incurred	Direct Losses Unpaid	Direct Written Premium	Direct Premium Unearned	Direct Premium Earned
17.11 Home	\$	\$	\$	\$	\$
17.12 Products	\$	\$	\$	\$	\$
17.13 Automobile	\$	\$	\$	\$	\$
17.14 Other*	\$	\$	\$	\$	\$

* Disclose type of coverage:

GENERAL INTERROGATORIES

(Continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

18.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that it excludes from Schedule F - Part 5.

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

18.11 Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5

18.12 Unfunded portion of Interrogatory 18.11

18.13 Paid losses and loss adjustment expenses portion of Interrogatory 18.11

18.14 Case reserves portion of Interrogatory 18.11

18.15 Incurred but not reported portion of Interrogatory 18.11

18.16 Unearned premium portion of Interrogatory 18.11

18.17 Contingent commission portion of Interrogatory 18.11

YES [] NO [X]

\$

\$

\$

\$

\$

\$

\$

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

18.18 Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5

18.19 Unfunded portion of Interrogatory 18.18

18.20 Paid losses and loss adjustment expenses portion of Interrogatory 18.18

18.21 Case reserves portion of Interrogatory 18.18

18.22 Incurred but not reported portion of Interrogatory 18.18

18.23 Unearned premium portion of Interrogatory 18.18

18.24 Contingent commission portion of Interrogatory 18.18

\$

\$

\$

\$

\$

\$

\$

FIVE-YEAR HISTORICAL DATA

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

	1 2005	2 2004	3 2003	4 2002	5 2001
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	225,477,013	201,004,287	162,053,056	122,216,412	83,917,582
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	104,110,953	75,559,299	51,144,761	42,975,864	32,666,035
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	133,430,919	74,197,962	34,267,827	23,161,725	16,617,899
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	200,744	137,643	177,677	539,889	551,124
5. Nonproportional reinsurance lines (Lines 30, 31 & 32)	82,052	120,958	221,419	145,554	45,394
6. Total (Line 34)	463,301,681	351,020,149	247,864,740	189,039,444	133,798,034
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	6,987,663	6,540,004	5,758,979	5,024,653	4,373,287
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,803,807	1,750,727	1,630,741	1,529,967	1,410,303
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,522,900	1,380,395	1,441,430	1,178,911	1,022,742
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	199,668	136,698	176,827	538,050	546,687
11. Nonproportional reinsurance lines (Lines 30, 31 & 32)	82,052	120,958	221,419	145,554	45,394
12. Total (Line 34)	10,596,090	9,928,782	9,229,396	8,417,135	7,398,413
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(783,850)	(743,941)	(874,358)	(692,966)	(2,349,828)
14. Net investment gain (loss) (Line 11)	1,924,634	1,965,063	2,361,777	2,088,658	2,228,202
15. Total other income (Line 15)	(124,567)	(183,129)	(326,933)	(186,378)	679,785
16. Dividends to policyholders (Line 17)	36,108	39,433	(2,401)	64,876	77,260
17. Federal and foreign income taxes incurred (Line 19)	357,682	296,265	857,191	408,368	152,031
18. Net income (Line 20)	622,427	702,295	305,696	736,070	328,868
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 24, Col. 3)	41,986,665	40,250,068	38,585,165	39,594,632	38,185,217
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 13.1)	699,342	671,389	885,403	875,846	781,823
20.2 Deferred and not yet due (Line 13.2)	2,069,783	1,915,779	1,540,199	1,295,425	1,043,137
20.3 Accrued retrospective premiums (Line 13.3)	704,100	766,829	796,594	699,471	721,051
21. Total liabilities excluding protected cell business (Page 3, Line 24)	21,610,953	20,583,539	19,602,275	20,932,305	20,522,436
22. Losses (Page 3, Lines 1 and 2)	14,207,137	13,390,241	13,187,318	12,450,689	12,908,829
23. Loss adjustment expenses (Page 3, Line 3)	2,909,746	2,554,020	2,607,666	2,372,925	2,505,906
24. Unearned premiums (Page 3, Line 9)	4,199,301	4,033,919	3,835,261	3,225,673	2,756,206
25. Capital paid up (Page 3, Lines 28 & 29)	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000
26. Surplus as regards policyholders (Page 3, Line 35)	20,375,712	19,666,529	18,982,890	18,662,327	17,662,781
Risk-Based Capital Analysis					
27. Total adjusted capital	20,375,712	19,666,529	18,982,890	18,662,327	17,662,781
28. Authorized control level risk-based capital	1,311,180	1,365,315	1,295,996	1,175,106	1,129,783
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 10, Col. 3) x 100.0					
29. Bonds (Line 1)	89.3	92.2	89.9	92.7	92.8
30. Stocks (Lines 2.1 & 2.2)	3.5	3.5	3.8	3.1	0.1
31. Mortgage loans on real estate (Lines 3.1 and 3.2)					
32. Real estate (Lines 4.1, 4.2 & 4.3)					
33. Cash, cash equivalents and short-term investments (Line 5)	7.2	4.0	6.3	4.1	7.0
34. Contract loans (Line 6)				XXX	XXX
35. Other invested assets (Line 7)					
36. Receivables for securities (Line 8)		0.3			
37. Aggregate write-ins for invested assets (Line 9)					
38. Cash, cash equivalents and invested assets (Line 10)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
39. Affiliated bonds, (Sch. D, Summary, Line 25, Col. 1)					
40. Affiliated preferred stocks (Sch. D, Summary, Line 39, Col. 1)					
41. Affiliated common stocks (Sch. D, Summary, Line 53, Col. 2)					
42. Affiliated short-term investments (subtotals included in Schedule DA, Part 2, Col. 5, Line 11)					
43. Affiliated mortgage loans on real estate					
44. All other affiliated					
45. Total of above Lines 39 to 44					
46. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 45 above divided by Page 3, Col. 1, Line 35 x 100.0)					

FIVE-YEAR HISTORICAL DATA
(Continued)

	1 2005	2 2004	3 2003	4 2002	5 2001
Capital and Surplus Accounts (Page 4)					
47. Net unrealized capital gains (losses) (Line 24)	(37,549)	18,168	39,531	(23,007)	(52,202)
48. Dividends to stockholders (Line 35)					
49. Change in surplus as regards policyholders for the year (Line 38)	709,183	683,639	320,563	999,546	211,524
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
50. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	94,650,805	80,706,981	69,376,692	58,030,269	51,016,835
51. Property lines (Lines 1, 2, 9, 12, 21 & 26)	54,067,265	36,996,215	27,727,561	23,707,556	22,637,210
52. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	62,038,239	43,254,165	13,069,475	8,206,358	8,865,839
53. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	53,160	508,604	295,467	433,972	373,289
54. Nonproportional reinsurance lines (Lines 30, 31 & 32)	109,279	4,973	101,801	105,617	72,039
55. Total (Line 34)	210,918,748	161,470,938	110,570,996	90,483,772	82,965,212
Net Losses Paid (Page 9, Part 2, Col. 4)					
56. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	3,737,061	4,060,750	3,403,564	3,926,380	3,863,680
57. Property lines (Lines 1, 2, 9, 12, 21 & 26)	919,584	776,025	762,298	764,268	876,270
58. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	964,647	893,938	594,226	667,936	783,517
59. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	53,160	508,604	295,467	433,972	373,289
60. Nonproportional reinsurance lines (Lines 30, 31 & 32)	109,279	4,973	101,801	105,617	72,039
61. Total (Line 34)	5,783,731	6,244,290	5,157,356	5,898,173	5,968,795
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
62. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
63. Losses incurred (Line 2)	63.8	66.5	66.4	68.6	89.1
64. Loss expenses incurred (Line 3)	18.8	16.3	19.1	16.4	17.0
65. Other underwriting expenses incurred (Line 4)	24.9	24.9	24.4	100.2	25.9
66. Net underwriting gain (loss) (Line 8)	(7.6)	(7.7)	(10.0)	(8.8)	(32.0)
Other Percentages					
67. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 34 x 100.0)	25.6	26.1	26.7	24.5	16.5
68. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	82.6	82.8	85.5	85.1	106.1
69. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 34 divided by Page 3, Line 35, Col. 1 x 100.0)	52.0	50.5	48.6	45.1	41.9
One Year Loss Development (000 omitted)					
70. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Col. 11)	515	336	736	614	1,204
71. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 70 above divided by Page 4, Line 21, Col. 1 x 100.0)	2.6	1.8	3.9	3.5	6.9
Two Year Loss Development (000 omitted)					
72. 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)	1,339	1,640	1,349,245	2,317	1,585
73. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 72 above divided by Page 4, Line 21, Col. 2 x 100.0)	7.1	8.8	8.7	13.3	9.6

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1	2	3	4
		Book/Adjusted Carrying Value	Fair Value	Actual Cost	Par Value of Bonds
BONDS Governments (Including all obligations guaranteed by governments)	1. United States	15,196,867	15,110,193	15,186,116	15,230,512
	2. Canada				
	3. Other Countries				
	4. Totals	15,196,867	15,110,193	15,186,116	15,230,512
States, Territories and Possessions (Direct and guaranteed)	5. United States				
	6. Canada				
	7. Other Countries				
	8. Totals				
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States				
	10. Canada				
	11. Other Countries				
	12. Totals				
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States	2,820,234	2,804,840	2,820,243	2,828,042
	14. Canada				
	15. Other Countries				
	16. Totals	2,820,234	2,804,840	2,820,243	2,828,042
Public Utilities (unaffiliated)	17. United States				
	18. Canada				
	19. Other Countries				
	20. Totals				
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States	13,213,103	13,234,389	13,270,278	13,016,000
	22. Canada				
	23. Other Countries	997,186	1,029,700	989,860	1,000,000
	24. Totals	14,210,289	14,264,089	14,260,138	14,016,000
Parent, Subsidiaries and Affiliates	25. Totals				
	26. Total Bonds	32,227,390	32,179,122	32,266,497	32,074,554
PREFERRED STOCKS Public Utilities (unaffiliated)	27. United States				
	28. Canada				
	29. Other Countries				
	30. Totals				
Banks, Trust and Insurance Companies (unaffiliated)	31. United States				
	32. Canada				
	33. Other Countries				
	34. Totals				
Industrial and Miscellaneous (unaffiliated)	35. United States				
	36. Canada				
	37. Other Countries				
	38. Totals				
Parent, Subsidiaries and Affiliates	39. Totals				
	40. Total Preferred Stocks				
COMMON STOCKS Public Utilities (unaffiliated)	41. United States				
	42. Canada				
	43. Other Countries				
	44. Totals				
Banks, Trust and Insurance Companies (unaffiliated)	45. United States				
	46. Canada				
	47. Other Countries				
	48. Totals				
Industrial and Miscellaneous (unaffiliated)	49. United States	1,267,966	1,267,966	1,232,959	
	50. Canada				
	51. Other Countries				
	52. Totals	1,267,966	1,267,966	1,232,959	
Parent, Subsidiaries and Affiliates	53. Totals				
	54. Total Common Stocks	1,267,966	1,267,966	1,232,959	
	55. Total Stocks	1,267,966	1,267,966	1,232,959	
	56. Total Bonds and Stocks	33,495,356	33,447,088	33,499,456	

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1. Book/adjusted carrying value of bonds and stocks, prior year	33,654,217	7. Amortization of premium	51,318
2. Cost of bonds and stocks acquired, Column 7, Part 3	4,169,296	8. Foreign Exchange Adjustment:	
3. Accrual of discount	24,764	8.1 Column 15, Part 1	
4. Increase (decrease) by adjustment:		8.2 Column 19, Part 2 Section 1	
4.1 Columns 12 - 14, Part 1		8.3 Column 16, Part 2, Section 2	
4.2 Column 15 - 17, Part 2, Section 1		8.4 Column 15, Part 4	
4.3 Column 15, Part 2, Section 2	(40,452)	9. Book/adjusted carrying value at end of current period	33,495,356
4.4 Column 11 - 13, Part 4	(40,452)	10. Total valuation allowance	
5. Total gain (loss), Column 19, Part 4	181,594	11. Subtotal (Lines 9 plus 10)	33,495,356
6. Deduct consideration for bonds and stocks disposed of Column 7, Part 4	4,442,745	12. Total nonadmitted amounts	
		13. Statement value of bonds and stocks, current period	33,495,356

SCHEDULE P-ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P-PART 1-SUMMARY
(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported - Direct and Assumed
				4	5	6	7	8	9			
	Direct and Assumed	Ceded	Net (Cols. 1 - 2)	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
1. Prior	X X X	X X X	X X X	729	234	303	120	65	19	9	724	X X X
2. 1996	8,675	1,287	7,388	6,261	883	479	39	663	(5)	214	6,486	X X X
3. 1997	8,459	1,053	7,406	6,321	833	566	58	686	4	212	6,678	X X X
4. 1998	8,919	1,075	7,844	7,183	895	574	54	765	7	245	7,566	X X X
5. 1999	8,854	1,274	7,580	7,177	977	596	74	776	12	236	7,486	X X X
6. 2000	9,337	1,509	7,828	7,038	1,179	552	75	739	9	179	7,066	X X X
7. 2001	9,698	1,562	8,136	6,677	1,456	464	72	699	7	210	6,305	X X X
8. 2002	11,072	2,092	8,980	5,932	916	371	40	789	6	327	6,130	X X X
9. 2003	12,330	2,801	9,529	5,166	1,030	302	18	817	6	320	5,231	X X X
10. 2004	12,827	3,126	9,701	4,355	1,038	183	21	788	40	285	4,227	X X X
11. 2005	13,210	2,850	10,360	3,001	431	70	8	651	38	174	3,245	X X X
12. Totals	X X X	X X X	X X X	59,840	9,872	4,460	579	7,438	143	2,411	61,144	X X X

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13	14	15	16	17	18	19	20					
	Direct and Assumed		Direct and Assumed		Direct and Assumed		Direct and Assumed		Direct and Assumed		Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
	Ceded		Ceded		Ceded		Ceded		Ceded				
1. Prior	4,983	1,477	2,237	1,637	271	226	1,177	498	144		20	4,974	X X X
2. 1996	266	46	59	41	4		19	3	4		1	262	X X X
3. 1997	345	51	66	33	28	19	28	6	6		2	364	X X X
4. 1998	480	70	77	56	8	1	44	9	31		3	504	X X X
5. 1999	540	128	121	72	14	3	55	18	18		5	527	X X X
6. 2000	601	181	177	123	15	3	54	17	10		8	533	X X X
7. 2001	826	432	271	156	29	16	90	35	25		15	602	X X X
8. 2002	944	482	487	341	25	7	138	28	35		22	771	X X X
9. 2003	999	257	862	570	33	8	250	51	49		38	1,307	X X X
10. 2004	1,268	377	1,997	723	39	10	432	92	104		78	2,638	X X X
11. 2005	2,190	958	3,890	1,267	39	8	646	99	231	26	219	4,638	X X X
12. Totals	13,442	4,459	10,244	5,019	505	301	2,933	856	657	26	411	17,120	X X X

	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	X X X	X X X	X X X	X X X	X X X	X X X			X X X	4,106	868
2. 1996	7,755	1,007	6,748	89.395	78.244	91.337			0.100	238	24
3. 1997	8,046	1,004	7,042	95.118	95.347	95.085			0.100	327	37
4. 1998	9,162	1,092	8,070	102.725	101.581	102.881			0.100	431	73
5. 1999	9,297	1,284	8,013	105.003	100.785	105.712			0.100	461	66
6. 2000	9,186	1,587	7,599	98.383	105.169	97.075			0.100	474	59
7. 2001	9,081	2,174	6,907	93.638	139.181	84.894			0.100	509	93
8. 2002	8,721	1,820	6,901	78.766	86.998	76.849			0.100	608	163
9. 2003	8,478	1,940	6,538	68.759	69.261	68.612			0.100	1,034	273
10. 2004	9,166	2,301	6,865	71.459	73.608	70.766			0.100	2,165	473
11. 2005	10,718	2,835	7,883	81.136	99.474	76.091			0.100	3,855	783
12. Totals	X X X	X X X	X X X	X X X	X X X	X X X			X X X	14,208	2,912

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

SCHEDULE P-PART 2-SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported At Year End (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	One Year	Two Year
1. Prior	13,480	13,552	13,236	12,664	12,409	13,051	13,519	14,007	14,626	15,148	522	1,141
2. 1996	6,175	5,902	5,921	5,957	6,027	6,012	6,011	6,010	6,077	6,131	54	121
3. 1997	X X X	5,877	5,849	6,066	6,164	6,281	6,288	6,298	6,372	6,424	52	126
4. 1998	X X X	X X X	6,464	6,689	6,852	7,067	7,141	7,196	7,278	7,369	91	173
5. 1999	X X X	X X X	X X X	6,362	6,561	6,809	6,984	7,111	7,167	7,303	136	192
6. 2000	X X X	X X X	X X X	X X X	6,119	6,402	6,443	6,660	6,838	6,908	70	248
7. 2001	X X X	X X X	X X X	X X X	X X X	6,304	6,142	6,251	6,161	6,217	56	(34)
8. 2002	X X X	X X X	X X X	X X X	X X X	X X X	6,253	5,902	5,910	6,101	191	199
9. 2003	X X X	X X X	X X X	X X X	X X X	X X X	X X X	6,537	5,886	5,711	(175)	(826)
10. 2004	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	6,563	6,082	(481)	X X X
11. 2005	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	7,156	X X X	X X X
12. Totals											515	1,339

SCHEDULE P-PART 3-SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported At Year End (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss	Number of Claims Closed Without Loss
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	Payment	Payment
1. Prior	000	2,468	4,283	5,373	6,252	6,763	7,586	8,236	8,891	9,569	X X X	X X X
2. 1996	2,577	3,751	4,407	4,904	5,237	5,453	5,587	5,656	5,745	5,818	X X X	X X X
3. 1997	X X X	2,370	3,579	4,389	4,972	5,359	5,609	5,762	5,913	5,996	X X X	X X X
4. 1998	X X X	X X X	2,595	4,164	5,093	5,780	6,175	6,444	6,652	6,808	X X X	X X X
5. 1999	X X X	X X X	X X X	2,578	4,097	5,052	5,730	6,188	6,511	6,722	X X X	X X X
6. 2000	X X X	X X X	X X X	X X X	2,704	4,244	5,050	5,606	6,113	6,336	X X X	X X X
7. 2001	X X X	X X X	X X X	X X X	X X X	2,847	4,294	5,012	5,442	5,613	X X X	X X X
8. 2002	X X X	X X X	X X X	X X X	X X X	X X X	2,679	4,106	4,937	5,347	X X X	X X X
9. 2003	X X X	X X X	X X X	X X X	X X X	X X X	X X X	2,472	3,778	4,420	X X X	X X X
10. 2004	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	2,262	3,479	X X X	X X X
11. 2005	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	2,632	X X X	X X X

SCHEDULE P-PART 4-SUMMARY

Years in Which Losses Were Incurred	Bulk and IBNR Reserves On Net Losses and Defense and Cost Containment Expenses Reported At Year End (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1. Prior	5,791	4,630	3,474	2,315	2,003	1,610	1,207	1,193	999	1,324
2. 1996	2,064	1,069	607	368	275	185	92	39	61	50
3. 1997	X X X	1,939	949	560	373	301	171	84	78	80
4. 1998	X X X	X X X	2,094	939	538	320	235	109	111	92
5. 1999	X X X	X X X	X X X	2,067	981	490	299	173	135	122
6. 2000	X X X	X X X	X X X	X X X	1,694	649	286	196	157	113
7. 2001	X X X	X X X	X X X	X X X	X X X	1,764	721	432	221	178
8. 2002	X X X	X X X	X X X	X X X	X X X	X X X	1,887	745	336	254
9. 2003	X X X	X X X	X X X	X X X	X X X	X X X	X X X	2,707	1,113	509
10. 2004	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	2,988	1,668
11. 2005	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	3,251

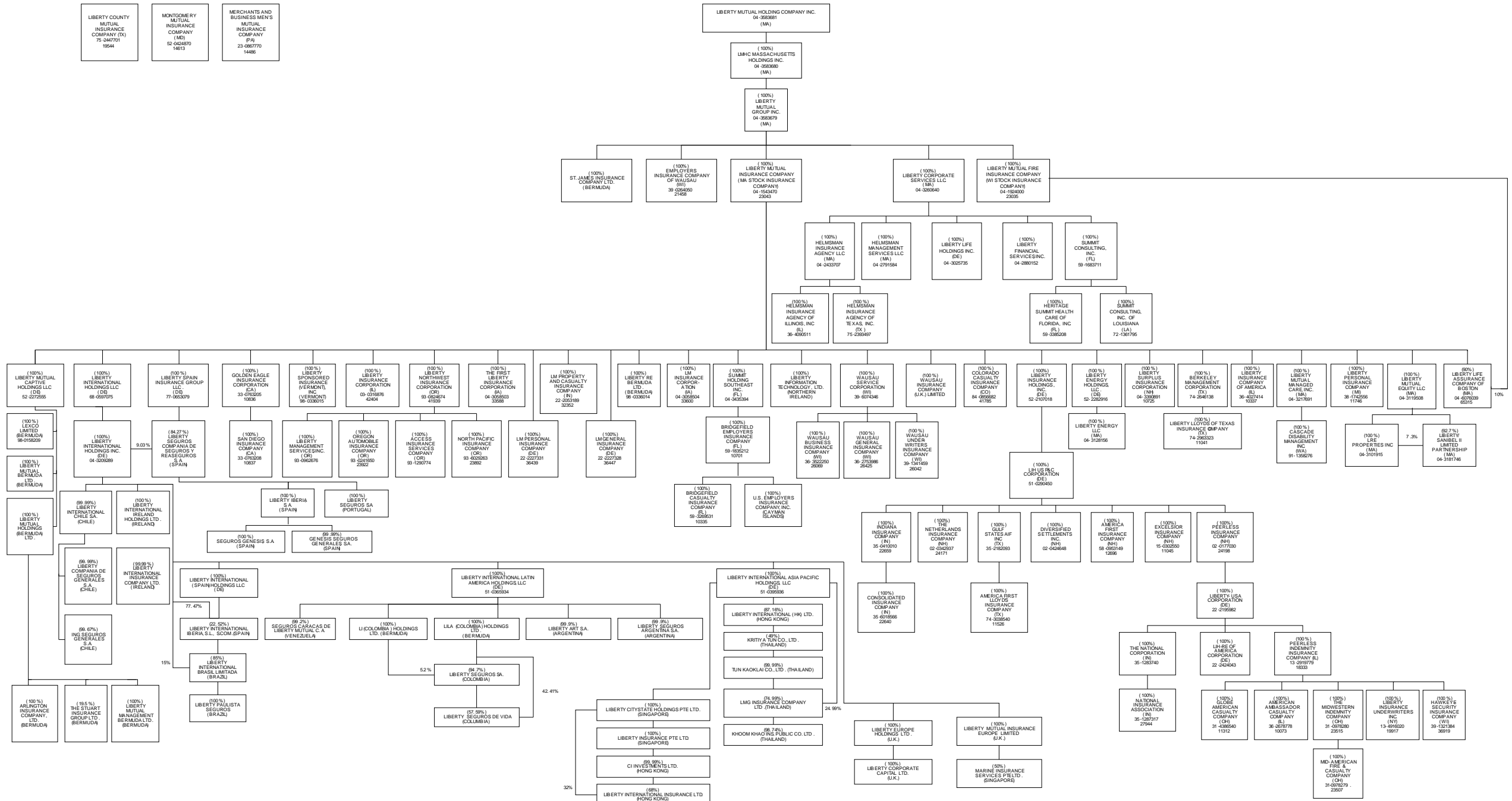
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN
Allocated by States and Territories

States, Etc.	1 Is Insurer Licens- ed? (Yes or No)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	YES	4,389,203	4,113,359		1,928,342	3,581,695	3,532,603	11,989
2. Alaska	AK	YES	12,658	16,060		761	2,263	6,181	
3. Arizona	AZ	YES	933,040	640,954		268,713	354,175	287,025	2,077
4. Arkansas	AR	YES	450,394	291,397	152	108,601	316,217	366,358	1,000
5. California	CA	YES	4,559,225	3,670,375		860,211	1,596,653	4,965,530	33
6. Colorado	CO	YES	1,216,931	1,205,165		793,952	368,671	532,207	6,319
7. Connecticut	CT	YES	4,269,559	3,890,275		2,396,457	1,874,193	4,095,622	18,959
8. Delaware	DE	YES	1,115,474	1,006,397		551,855	504,528	1,004,793	4,052
9. Dist. Columbia	DC	YES	664,089	531,372		190,461	223,938	468,965	1,215
10. Florida	FL	YES	125,870,760	121,669,215	110,455	72,312,770	88,854,881	69,819,653	74,649
11. Georgia	GA	YES	25,475,070	20,930,647	(165)	11,496,303	13,979,098	5,896,191	66,244
12. Hawaii	HI	YES	290,349	419,275		159,772	285,190	577,005	
13. Idaho	ID	YES	97,674	89,110		20,424	65,486	58,517	684
14. Illinois	IL	YES	3,520,670	2,632,594		967,913	1,668,395	2,270,913	4,292
15. Indiana	IN	YES	3,668,820	3,763,050		2,379,961	1,777,824	3,322,245	4,887
16. Iowa	IA	YES	5,982,467	5,622,466		2,740,260	2,745,479	1,011,283	37,569
17. Kansas	KS	YES	3,745,678	3,531,874		1,317,496	2,470,469	3,442,251	1,268
18. Kentucky	KY	YES	1,369,543	1,406,524		527,231	471,344	1,474,806	4,012
19. Louisiana	LA	YES	1,320,549	1,262,208		529,571	747,931	614,452	1,566
20. Maine	ME	YES	1,264,004	1,039,664		390,706	697,644	624,568	6,666
21. Maryland	MD	YES	5,254,096	4,251,616		2,120,396	2,458,184	2,901,048	19,424
22. Massachusetts	MA	YES	2,105,547	1,434,680	(20,619)	1,008,440	1,029,160	2,517,485	1,937
23. Michigan	MI	YES	2,280,930	2,369,673		477,002	717,171	857,337	
24. Minnesota	MN	YES	984,868	870,743		252,184	410,948	360,413	3,509
25. Mississippi	MS	YES	1,580,097	1,748,084	(14)	763,617	1,048,326	1,737,752	477
26. Missouri	MO	YES	739,412	579,926		442,641	314,775	511,235	3,136
27. Montana	MT	YES	197,604	202,990		32,414	18,159	(604)	1,066
28. Nebraska	NE	YES	914,712	723,845		292,600	465,445	693,536	397
29. Nevada	NV	YES	594,992	523,974		473,651	367,518	478,299	2,203
30. New Hampshire	NH	YES	1,567,061	1,480,298		772,661	2,096,973	2,141,843	18,107
31. New Jersey	NJ	YES	1,206,846	448,674	25	2,198,962	977,339	10,319,832	6
32. New Mexico	NM	YES	414,656	365,756		126,393	198,398	174,467	1,330
33. New York	NY	YES	37,672,260	26,032,837		8,214,967	12,072,780	6,226,544	197,785
34. No. Carolina	NC	YES	2,518,454	2,479,536	(16)	809,267	1,721,810	3,828,768	
35. No. Dakota	ND	YES	19,062	15,431		931	322	(833)	183
36. Ohio	OH	YES	1,012,939	765,290		331,849	532,667	321,137	6,330
37. Oklahoma	OK	YES	1,385,955	1,281,642	49,481	727,789	818,634	1,385,070	3,485
38. Oregon	OR	YES	581,010	523,408		195,049	1,156,608	1,086,999	3,591
39. Pennsylvania	PA	YES	134,897,451	110,980,972		54,347,272	62,778,717	40,936,196	940,254
40. Rhode Island	RI	YES	34,401	30,079		15,595	(37,905)	26,023	
41. So. Carolina	SC	YES	1,626,808	1,987,772		1,692,931	2,621,331	4,167,983	39
42. So. Dakota	SD	YES	7,464	7,737			(2,476)	3,388	12
43. Tennessee	TN	YES	6,220,212	5,980,483	312	2,671,358	3,451,214	3,559,167	22,460
44. Texas	TX	YES	4,382,403	4,377,257	35	3,121,908	2,221,898	6,752,095	
45. Utah	UT	YES	124,361	124,616		32,785	284,182	355,742	596
46. Vermont	VT	YES	583,367	514,315		240,532	456,607	345,578	3,680
47. Virginia	VA	YES	50,859,650	42,927,140	1	21,928,011	27,128,417	16,372,115	334,514
48. Washington	WA	YES	319,220	317,168		57,423	446,289	397,535	
49. West Virginia	WV	YES	200,482	162,583		68,350	80,546	33,780	1,017
50. Wisconsin	WI	YES	2,116,898	1,490,936	194,654	1,748,234	1,576,130	3,965,290	2,907
51. Wyoming	WY	YES	86,274	71,076		27,410	14,858	(7,441)	315
52. American Samoa	AS	NO							
53. Guam	GU	YES	3	3					
54. Puerto Rico	PR	NO	6	2			(38)	20	
55. U.S. Virgin Islands	VI	YES	18	8			3	3	
56. Canada	CN	NO							
57. Aggregate other alien	OT	X X X	(85)	(731)	14	636	2,602	(952)	
58. Totals	(a) 53		452,705,591	392,801,800	334,315	205,135,018	250,013,666	216,818,018	1,816,241

DETAILS OF WRITE-INS									
5701. Other alien	X X X	(85)	(731)	14	636	2,602	(952)		
5702.	X X X								
5703.	X X X								
5798. Summary of remaining write-ins for Line 57 from overflow page	X X X								
5799. Totals (Lines 5701 through 5703 + 5798) (Line 57 above)	X X X	(85)	(731)	14	636	2,602	(952)		

Explanation of basis of allocation of premiums by states, etc.	
*Location of coverage - Fire, Allied Lines, Homeowners Multi Peril, Commercial Multi Peril, Earthquake, Boiler and Machinery	
*States of Jurisdiction under which payrolls and resulting premiums are developed - Worker's Compensation	*Location of Court - Surety
*Location of Principal place of garaging of each individual car - Auto Liability, Auto Physical Damage	*Address of Assured - Other Accident and Health
*Principal Location of business or location of coverage - Liability other than Auto, Fidelity	*Location of Properties covered - Burglary and Theft
*Point of origin of shipment or principal location of assured - Inland Marine	*Principal Location of Assured - Ocean Marine, Credit
*State in which employees regularly work - Group Accident and Health	*Primary residence of Assured - Aircraft (all perils)

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



OVERFLOW PAGE FOR WRITE-INS

Page 2 - Continuation
ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
REMAINING WRITE-INS AGGREGATED AT LINE 09 FOR INVESTED ASSETS				
0904.				
0905.				
0906.				
0907.				
0908.				
0909.				
0910.				
0911.				
0912.				
0913.				
0914.				
0915.				
0916.				
0917.				
0918.				
0919.				
0920.				
0921.				
0922.				
0923.				
0924.				
0925.				
0997. Totals (Lines 0904 through 0925) (Page 2, Line 0998)				
REMAINING WRITE-INS AGGREGATED AT LINE 23 FOR OTHER THAN INVESTED ASSETS				
2304. Amounts receivable under high deductible policies	259,507	9,303	250,204	231,668
2305.				
2306.				
2307.				
2308.				
2309.				
2310.				
2311.				
2312.				
2313.				
2314.				
2315.				
2316.				
2317.				
2318.				
2319.				
2320.				
2321.				
2322.				
2323.				
2324.				
2325.				
2397. Totals (Lines 2304 through 2325) (Page 2, Line 2398)	259,507	9,303	250,204	231,668

OVERFLOW PAGE FOR WRITE-INS

Page 3 - Continuation
LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Year	Prior Year

REMAINING WRITE-INS AGGREGATED AT LINE 23 FOR LIABILITIES

2304.	North Carolina private passenger auto escrow	1,872
2305.		
2306.		
2307.		
2308.		
2309.		
2310.		
2311.		
2312.		
2313.		
2314.		
2315.		
2316.		
2317.		
2318.		
2319.		
2320.		
2321.		
2322.		
2323.		
2324.		
2325.		
2397.	Totals (Lines 2304 through 2325) (Page 3, Line 2398)	1,872

REMAINING WRITE-INS AGGREGATED AT LINE 27 FOR SPECIAL SURPLUS FUNDS

2704.		
2705.		
2706.		
2707.		
2708.		
2709.		
2710.		
2711.		
2712.		
2713.		
2714.		
2715.		
2716.		
2717.		
2718.		
2719.		
2720.		
2721.		
2722.		
2723.		
2724.		
2725.		
2797.	Totals (Lines 2704 through 2725) (Page 3, Line 2798)	

REMAINING WRITE-INS AGGREGATED AT LINE 30 FOR OTHER THAN SPECIAL SURPLUS FUNDS

3004.		
3005.		
3006.		
3007.		
3008.		
3009.		
3010.		
3011.		
3012.		
3013.		
3014.		
3015.		
3016.		
3017.		
3018.		
3019.		
3020.		
3021.		
3022.		
3023.		
3024.		
3025.		
3097.	Totals (Lines 3004 through 3025) (Page 3, Line 3098)	