



ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005
OF THE CONDITION AND AFFAIRS OF THE
Liberty Insurance Underwriters Inc.

NAIC Group Code	0111	0111	NAIC Company Code	19917	Employer's ID Number	13-4916020
	(Current Period)	(Prior Period)				
Organized under the Laws of	New York			, State of Domicile or Port of Entry New York		
Country of Domicile	United States of America					
Incorporated/Organized	03/08/1811		Commenced Business		03/08/1811	
Statutory Home Office	55 Water Street, 18th Floor			New York, NY 10041		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	55 Water Street, 18th Floor		New York, NY 10041		212-208-2802	
	(Street and Number)		(City or Town, State and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	55 Water Street, 18th Floor			New York, NY 10041		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	55 Water Street, 18th Floor		New York, NY 10041		212-208-4127	
	(Street and Number)		(City or Town, State and Zip Code)		(Area Code) (Telephone Number)	
Internet Website Address	www.libertyiu.com					
Statutory Statement Contact	H. Michael Tannert			212-208-4127		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	Michael.Tannert@LibertyIU.com			212-208-4275		
	(E-mail Address)			(Fax Number)		
Policyowner Relations Contact	175 Berkeley Street		Boston, MA 02117		617-357-9500- 41015	
	(Street and Number)		(City or Town, State and Zip Code)		(Area Code) (Telephone Number) (Extension)	

OFFICERS

Name	Title	Name	Title
Nick Creatura	President	Dexter Robert Legg	Secretary
Laurance Henry Soyer Yahia	Treasurer		

OTHER OFFICERS

Michael Joseph Abdallah	EVP & Director	Anthony Scott Carroll	SVP & Director
David Alan Cohen	SVP	Gary Norman Dubois	SVP
Anthony Alexander Fontanes	EVP & CIO	Gordon James McBurney	CEO & Director
Gary Jay Ostrow	VP	Joseph Gerard Merten #	COO & Director
George John Perrotta	SVP, CFO & Director	Ursula Margaret Kerrigan #	VP & Chief Legal Counsel

DIRECTORS OR TRUSTEES

Michael Joseph Abdallah	Anthony Scott Carroll	Nick Creatura	Daniel Terence Niall Forsythe
James Francis Kelleher	Dennis James Langwell	Christopher Charles Mansfield	Gordon James McBurney
Frank Harrison O'Connor	Joseph Gerard Merten #	Thomas Crawford Ramey	George John Perrotta
Christopher Locke Peirce			

State ofNew York.....

County ofNew York..... **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.

Nick Creatura President	Dexter Robert Legg Secretary	Laurance Henry Soyer Yahia Treasurer
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Subscribed and sworn to before me this
18 day of January, 2006

Ramona L. Singh Compliance Analyst
December 13, 2008

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

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	90,476,893		90,476,893	101,242,860
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$ (200,468) , Schedule E, Part 1), cash equivalents (\$0 , Schedule E, Part 2) and short-term investments (\$31,818,180 , Schedule DA).....	31,617,713		31,617,713	(4,999,710)
6. Contract loans, (including \$premium notes)			0	0
7. Other invested assets (Schedule BA)	1,039,486	0	1,039,486	1,040,088
8. Receivables for securities			0	39,467
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	123,134,092	0	123,134,092	97,322,705
11. Title plants less \$charged off (for Title insurers only).....			0	
12. Investment income due and accrued	1,126,363		1,126,363	1,059,829
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection			0	0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premium).....			0	0
13.3 Accrued retrospective premium.....			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	10,789,799		10,789,799	17,352,378
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts			0	0
15. Amounts receivable relating to uninsured plans			0	0
16.1 Current federal and foreign income tax recoverable and interest thereon			0	0
16.2Net deferred tax asset.....	907,000	827,900	79,100	0
17. Guaranty funds receivable or on deposit			0	257,800
18. Electronic data processing equipment and software.....	868,088	868,088	0	0
19. Furniture and equipment, including health care delivery assets (\$)	93,315	93,315	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates			0	0
22. Health care (\$) and other amounts receivable			0	0
23. Aggregate write-ins for other than invested assets	1,015,096	1,025,711	(10,615)	(3,958)
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	137,933,753	2,815,014	135,118,739	115,988,754
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
26. Total (Lines 24 and 25)	137,933,753	2,815,014	135,118,739	115,988,754
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	0	0	0	0
2301. Leasehold Improvements.....	1,025,711	1,025,711	0	0
2302. Other Assets.....	(10,615)		(10,615)	(3,958)
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	1,015,096	1,025,711	(10,615)	(3,958)

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 34, Column 8)	0	0
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		0
3. Loss adjustment expenses (Part 2A, Line 34, Column 9)	0	0
4. Commissions payable, contingent commissions and other similar charges		0
5. Other expenses (excluding taxes, licenses and fees)	6,733,665	8,254,507
6. Taxes, licenses and fees (excluding federal and foreign income taxes)		1,021,841
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses)).....	638,673	98,821
7.2 Net deferred tax liability.....		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (Part 1A, Line 37, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 126,423,028 and including warranty reserves of \$)	0	0
10. Advance premiums		0
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	22,947,584	23,383,369
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		0
14. Amounts withheld or retained by company for account of others		0
15. Remittances and items not allocated.....		0
16. Provision for reinsurance (Schedule F, Part 7)	10,000,404	10,682,499
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates	27,836,146	10,329,645
20. Payable for securities	235,403	325,001
21. Liability for amounts held under uninsured accident and health plans		0
22. Capital notes \$ and interest thereon \$		0
23. Aggregate write-ins for liabilities	0	0
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	68,391,875	54,095,683
25. Protected cell liabilities		0
26. Total liabilities (Lines 24 and 25)	68,391,875	54,095,683
27. Aggregate write-ins for special surplus funds	0	0
28. Common capital stock	3,500,000	3,500,000
29. Preferred capital stock		0
30. Aggregate write-ins for other than special surplus funds	0	0
31. Surplus notes		0
32. Gross paid in and contributed surplus	60,029,767	60,029,767
33. Unassigned funds (surplus)	3,197,097	(1,636,696)
34. Less treasury stock, at cost:		
34.1 shares common (value included in Line 28 \$)		0
34.2 shares preferred (value included in Line 29 \$)		0
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 39)	66,726,864	61,893,071
36. TOTALS (Page 2, Line 26, Col. 3)	135,118,739	115,988,754
DETAILS OF WRITE-INS		
2301.		0
2302.		0
2303.		0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	0	0
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	0	0
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)	0	0

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 34, Column 4)	0	0
DEDUCTIONS		
2. Losses incurred (Part 2, Line 34, Column 7)	0	0
3. Loss expenses incurred (Part 3, Line 25, Column 1)	0	0
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	0	0
5. Aggregate write-ins for underwriting deductions	0	0
6. Total underwriting deductions (Lines 2 through 5)	0	0
7. Net income of protected cells		0
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	0	0
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	5,389,132	6,214,537
10. Net realized capital gains (losses) less capital gains tax of \$ (Exhibit of Capital Gains (Losses)).....	169,453	1,889,794
11. Net investment gain or (loss) (Lines 9 + 10)	5,558,585	8,104,331
OTHER INCOME		
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)		0
13. Finance and service charges not included in premiums		0
14. Aggregate write-ins for miscellaneous income	0	0
15. Total other income (Lines 12 through 14)	0	0
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	5,558,585	8,104,331
17. Dividends to policyholders		0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	5,558,585	8,104,331
19. Federal and foreign income taxes incurred	2,320,657	4,290,263
20. Net income (Line 18 minus Line 19) (to Line 22)	3,237,928	3,814,068
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	61,893,071	60,760,289
GAINS AND (LOSSES) IN SURPLUS		
22. Net income (from Line 20)	3,237,928	3,814,068
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ (108,956)	(108,956)	0
25. Change in net unrealized foreign exchange capital gain (loss)		0
26. Change in net deferred income tax	285,000	622,000
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 26, Col. 3)	737,728	8,172
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	682,095	(3,311,458)
29. Change in surplus notes		0
30. Surplus (contributed to) withdrawn from protected cells		0
31. Cumulative effect of changes in accounting principles		0
32. Capital changes:		
32.1. Paid in		0
32.2. Transferred from surplus (Stock Dividend)		0
32.3. Transferred to surplus		0
33. Surplus adjustments:		
33.1. Paid in		0
33.2. Transferred to capital (Stock Dividend)		0
33.3. Transferred from capital		0
34. Net remittances from or (to) Home Office		0
35. Dividends to stockholders		0
36. Change in treasury stock (Page 3, Lines 34.1 and 34.2, Column 2 minus Column 1)	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	4,833,795	1,132,782
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 35)	66,726,866	61,893,071
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0
1401.		
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0
3701.		
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above)	0	0

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	(435,785)	9,686,600
2. Net investment income	5,494,764	5,848,267
3. Miscellaneous income	0	0
4. Total (Lines 1 to 3)	5,058,979	15,534,867
5. Benefit and loss related payments	(6,562,579)	17,352,378
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	2,284,883	(2,554,505)
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) \$ net of tax on capital gains (losses)	1,780,805	4,804,396
10. Total (Lines 5 through 9)	(2,496,891)	19,602,269
11. Net cash from operations (Line 4 minus Line 10)	7,555,870	(4,067,402)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	11,654,901	174,252,089
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	8,363	49,941
12.7 Miscellaneous proceeds	0	513,663
12.8 Total investment proceeds (Lines 12.1 to 12.7)	11,663,264	174,815,693
13. Cost of investments acquired (long-term only):		
13.1 Bonds	1,000,000	212,533,454
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	58,494	54,841
13.7 Total investments acquired (Lines 13.1 to 13.6)	1,058,494	212,588,295
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	10,604,770	(37,772,602)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied).....	18,456,786	8,366,097
17. Net cash from financing and miscellaneous sources (Line 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6)	18,456,786	8,366,097
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	36,617,426	(33,473,907)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	(4,999,711)	28,474,196
19.2 End of period (Line 18 plus Line 19.1).....	31,617,715	(4,999,711)

Part 1
NONE

Part 1A
NONE

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						0
2. Allied lines						0
3. Farmowners multiple peril						0
4. Homeowners multiple peril						0
5. Commercial multiple peril	25,803,004		622,752	5,839,563	20,586,193	0
6. Mortgage guaranty						0
8. Ocean marine	5,245,661			3,920,973	1,324,688	0
9. Inland marine	(326,947)			(131,727)	(195,220)	0
10. Financial guaranty						0
11.1 Medical malpractice - occurrence						0
11.2 Medical malpractice - claims-made						0
12. Earthquake						0
13. Group accident and health						0
14. Credit accident and health (group and individual)						0
15. Other accident and health						0
16. Workers' compensation						0
17.1 Other liability - occurrence	128,189,284			28,030,545	100,158,739	0
17.2 Other liability - claims-made	104,521,474			61,726,179	42,795,295	0
18.1 Products liability - occurrence						0
18.2 Products liability - claims-made						0
19.1,19.2 Private passenger auto liability						0
19.3,19.4 Commercial auto liability						0
21. Auto physical damage						0
22. Aircraft (all perils)						0
23. Fidelity	10,125,693			11,308	10,114,385	0
24. Surety						0
26. Burglary and theft						0
27. Boiler and machinery						0
28. Credit						0
29. International						0
30. Reinsurance - Nonproportional Assumed Property	XXX					0
31. Reinsurance - Nonproportional Assumed Liability	XXX					0
32. Reinsurance - Nonproportional Assumed Financial Lines	XXX					0
33. Aggregate write-ins for other lines of business	0	0	0	0	0	0
34. TOTALS	273,558,169	0	622,752	99,396,841	174,784,080	0
DETAILS OF WRITE-INS						
3301.						
3302.						
3303.						
3398. Summary of remaining write- ins for Line 33 from overflow page	0	0	0	0	0	0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)	0	0	0	0	0	0

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

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business		Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Previous Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
		1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1.	Fire .....				.0	.0	.0	.0	.0
2.	Allied lines	563,600		563,600	.0	.0	.0	.0	.0
3.	Farmowners multiple peril .....				.0	.0	.0	.0	.0
4.	Homeowners multiple peril .....				.0	.0	.0	.0	.0
5.	Commercial multiple peril	24,213,691	1,497,500	25,711,191	.0	.0	.0	.0	.0
6.	Mortgage guaranty .....				.0	.0	.0	.0	.0
8.	Ocean marine	14,274,030		14,274,030	.0	.0	.0	.0	.0
9.	Inland marine	1,306,114		1,306,114	.0	.0	.0	.0	.0
10.	Financial guaranty .....				.0	.0	.0	.0	.0
11.1	Medical malpractice - occurrence .....				.0	.0	.0	.0	.0
11.2	Medical malpractice - claims-made .....				.0	.0	.0	.0	.0
12.	Earthquake .....				.0	.0	.0	.0	.0
13.	Group accident and health .....				.0	.0	.0	.0	.0
14.	Credit accident and health (group and individual) .....				.0	.0	.0	.0	.0
15.	Other accident and health .....				.0	.0	.0	.0	.0
16.	Workers' compensation .....				.0	.0	.0	.0	.0
17.1	Other liability - occurrence	3,097,215		3,097,215	.0	.0	.0	.0	.0
17.2	Other liability - claims-made	13,990,452		13,990,452	.0	.0	.0	.0	.0
18.1	Products liability - occurrence .....				.0	.0	.0	.0	.0
18.2	Products liability - claims-made .....				.0	.0	.0	.0	.0
19.1,19.2	Private passenger auto liability .....				.0	.0	.0	.0	.0
19.3,19.4	Commercial auto liability .....				.0	.0	.0	.0	.0
21.	Auto physical damage .....				.0	.0	.0	.0	.0
22.	Aircraft (all perils) .....				.0	.0	.0	.0	.0
23.	Fidelity .....				.0	.0	.0	.0	.0
24.	Surety .....				.0	.0	.0	.0	.0
26.	Burglary and theft .....				.0	.0	.0	.0	.0
27.	Boiler and machinery .....				.0	.0	.0	.0	.0
28.	Credit .....				.0	.0	.0	.0	.0
29.	International .....				.0	.0	.0	.0	.0
30.	Reinsurance - Nonproportional Assumed Property	XXX			.0	.0	.0	.0	.0
31.	Reinsurance - Nonproportional Assumed Liability	XXX			.0	.0	.0	.0	.0
32.	Reinsurance - Nonproportional Assumed Financial Lines	XXX			.0	.0	.0	.0	.0
33.	Aggregate write-ins for other lines of business .....	.0	.0	.0	.0	.0	.0	.0	.0
34.	TOTALS	57,445,102	1,497,500	58,942,602	0	0	0	0	0.0
DETAILS OF WRITE-INS									
3301.	.....							
3302.	.....							
3303.	.....							
3398.	Summary of remaining write-ins for Line 33 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0
3399.	Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)	0	0	0	0	0	0	0	0.0

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

		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Unpaid Loss Adjustment Expenses
Line of Business		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded		
1.	Fire .....				.0				.0	
2.	Allied lines .....				.0	(755,514)		(755,514)	.0	
3.	Farmowners multiple peril .....				.0				.0	
4.	Homeowners multiple peril .....				.0				.0	
5.	Commercial multiple peril	71,167,543	124,521	71,292,064	.0	22,862,236	21,848	22,884,084	.0	
6.	Mortgage guaranty .....				.0				.0	
8.	Ocean marine	10,634,164		10,634,164	.0	7,131,323		7,131,323	.0	
9.	Inland marine	226,575		226,575	.0	241,270		241,270	.0	
10.	Financial guaranty .....				.0				.0	
11.1	Medical malpractice - occurrence .....				.0				.0	
11.2	Medical malpractice - claims-made .....				.0				.0	
12.	Earthquake .....				.0				.0	
13.	Group accident and health .....				.0				(a)	.0
14.	Credit accident and health (group and individual) .....				.0					.0
15.	Other accident and health .....				.0				(a)	.0
16.	Workers' compensation .....				.0				.0	
17.1	Other liability - occurrence	6,286,560		6,286,560	.0	173,700,741		173,700,741	.0	
17.2	Other liability - claims-made	16,455,636		16,455,636	.0	92,000,416		92,000,416	.0	
18.1	Products liability - occurrence .....				.0				.0	
18.2	Products liability - claims-made .....				.0				.0	
19.1,19.2	Private passenger auto liability .....				.0				.0	
19.3,19.4	Commercial auto liability .....				.0				.0	
21.	Auto physical damage .....				.0				.0	
22.	Aircraft (all perils) .....				.0				.0	
23.	Fidelity .....				.0	9,138,203		9,138,203	.0	
24.	Surety .....				.0				.0	
26.	Burglary and theft .....				.0				.0	
27.	Boiler and machinery .....				.0				.0	
28.	Credit .....				.0				.0	
29.	International .....				.0				.0	
30.	Reinsurance - Nonproportional Assumed Property	XXX			.0	XXX			.0	
31.	Reinsurance - Nonproportional Assumed Liability	XXX			.0	XXX			.0	
32.	Reinsurance - Nonproportional Assumed Financial Lines	XXX			.0	XXX			.0	
33.	Aggregate write-ins for other lines of business .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
34.	TOTALS	104,770,478	124,521	104,894,999	0	304,318,675	21,848	304,340,523	0	0
DETAILS OF WRITE-INS										
3301.	.....								
3302.	.....								
3303.	.....								
3398.	Summary of remaining write-ins for Line 33 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
3399.	Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above)	0	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	17,766,104			17,766,104
1.2 Reinsurance assumed	276,053			276,053
1.3 Reinsurance ceded	18,042,157			18,042,157
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	0	0	0	0
2. Commission and brokerage:				
2.1 Direct excluding contingent		39,258,586		39,258,586
2.2 Reinsurance assumed, excluding contingent		16,448		16,448
2.3 Reinsurance ceded, excluding contingent		39,275,034		39,275,034
2.4 Contingent-direct		(18,784)		(18,784)
2.5 Contingent-reinsurance assumed				0
2.6 Contingent-reinsurance ceded		(18,784)		(18,784)
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	0	0	0
3. Allowances to manager and agents				0
4. Advertising				0
5. Boards, bureaus and associations				0
6. Surveys and underwriting reports				0
7. Audit of assureds' records				0
8. Salary and related items:				
8.1 Salaries				0
8.2 Payroll taxes				0
9. Employee relations and welfare				0
10. Insurance				0
11. Directors' fees				0
12. Travel and travel items				0
13. Rent and rent items				0
14. Equipment				0
15. Cost or depreciation of EDP equipment and software				0
16. Printing and stationery				0
17. Postage, telephone and telegraph, exchange and express				0
18. Legal and auditing				0
19. Totals (Lines 3 to 18)	0	0	0	0
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$				0
20.2 Insurance department licenses and fees				0
20.3 Gross guaranty association assessments				0
20.4 All other (excluding federal and foreign income and real estate)				0
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	0	0	0	0
21. Real estate expenses				0
22. Real estate taxes				0
23. Reimbursements by uninsured accident and health plans				0
24. Aggregate write-ins for miscellaneous expenses	0	0	0	0
25. Total expenses incurred	0	0	0	(a) 0
26. Less unpaid expenses - current year	0			0
27. Add unpaid expenses - prior year	0	0	0	0
28. Amounts receivable relating to uninsured accident and health plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured accident and health plans, current year				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	0	0	0	0
DETAILS OF WRITE-INS				
2401.				
2402.				
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above)	0	0	0	0

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

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....1,684,397	.....1,669,861
1.1	Bonds exempt from U.S. tax	(a) .....	.....
1.2	Other bonds (unaffiliated)	(a) .....2,589,853	.....2,511,093
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 .....	.....	.....
3.	Mortgage loans	(c) .....	.....
4.	Real estate	(d) .....	.....
5.	Contract loans.....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e) .....986,841	.....1,146,671
7.	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....58,148	.....58,148
9.	Aggregate write-ins for investment income .....	.....3,359	.....3,359
10.	Total gross investment income	5,322,598	.....5,389,132
11.	Investment expenses		(g)
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total (Lines 11 through 15) .....		.....0
17.	Net Investment Income - (Line 10 minus Line 16)		5,389,132
DETAILS OF WRITE-INS			
0901.	Miscellaneous Income/(Expense) .....	.....3,359	.....3,359
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	3,359	3,359
1501.	.....		.....
1502.	.....		.....
1503.	.....		.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Total (Lines 1501 through 1503 plus 1598) (Line 15, above)		0

(a) Includes \$32,013 accrual of discount less \$203,577 amortization of premium and less \$paid for accrued interest on purchases.
(b) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued dividends on purchases.
(c) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued interest on purchases.
(d) Includes \$for company's occupancy of its own buildings; and excludes \$interest on encumbrances.
(e) Includes \$108,938 accrual of discount less \$amortization of premium and less \$paid for accrued interest on purchases.
(f) Includes \$accrual of discount less \$amortization of premium.
(g) Includes \$investment expenses and \$investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$interest on surplus notes and \$interest on capital notes.
(i) Includes \$depreciation on real estate and \$depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Total
1.	U.S. Government bonds .....			.....	.....0
1.1	Bonds exempt from U.S. tax .....			.....	.....0
1.2	Other bonds (unaffiliated)	169,453		(108,956)	60,497
1.3	Bonds of affiliates	0	0	0	0
2.1	Preferred stocks (unaffiliated)				0
2.11	Preferred stocks of affiliates	0	0	0	0
2.2	Common stocks (unaffiliated)				0
2.21	Common stocks of affiliates	0	0	0	0
3.	Mortgage loans				0
4.	Real estate				0
5.	Contract loans				0
6.	Cash, cash equivalents and short-term investments				0
7.	Derivative instruments				0
8.	Other invested assets				0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0
10.	Total capital gains (losses)	169,453	0	(108,956)	60,497
DETAILS OF WRITE-INS					
0901.	.....			
0902.	.....			
0903.	.....			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash, (Schedule E, Part 1), cash equivalents (Schedule E, Part 2) and short -term investments (Schedule DA)	0	0	0
6. Contract loans	0	0	0
7. Other invested assets (Schedule BA)	0	0	0
8. Receivables for securities	0	0	0
9. Aggregate write-ins for invested assets	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	0	0	0
11. Title plants (for Title insurers only).....	0		0
12. Investment income due and accrued	0	0	0
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
13.3 Accrued retrospective premium.....	0	0	0
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers	0	0	0
14.2 Funds held by or deposited with reinsured companies	0	0	0
14.3 Other amounts receivable under reinsurance contracts	0	0	0
15. Amounts receivable relating to uninsured plans	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
16.2 Net deferred tax asset.....	827,900	622,000	(205,900)
17. Guaranty funds receivable or on deposit	0	0	0
18. Electronic data processing equipment and software.....	868,088	1,604,725	736,637
19. Furniture and equipment, including health care delivery assets.....	93,315	151,945	58,630
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
21. Receivables from parent, subsidiaries and affiliates	0	0	0
22. Health care and other amounts receivable.....	0	0	0
23. Aggregate write-ins for other than invested assets	1,025,711	1,174,072	148,361
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	2,815,014	3,552,742	737,728
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
26. Total (Lines 24 and 25)	2,815,014	3,552,742	737,728
DETAILS OF WRITE-INS			
0901.	0	0	0
0902.	0	0	0
0903.			
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	0	0	0
2301. Leasehold Improvement.....	1,025,711	1,174,072	148,361
2302.			
2303.			
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	1,025,711	1,174,072	148,361

NOTES TO FINANCIAL STATEMENTS

Note 1- Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of Liberty Insurance Underwriter, Inc. (the “Company”) have been prepared on the basis of accounting practices prescribed or permitted by the Division of Insurance of the Department of Regulatory Agencies of the State of New York (“New York Division of Insurance).

The company utilizes accounting practices that are prescribed or permitted by the New York State Insurance Department and differ from those promulgated by NAIC SAP. The impact of these different practices would have no impact on net income but would reduce statutory surplus by \$2.2 million if the New York Insurance Department policy had not been used, a reconciliation of Capital and Surplus follows.

<u>Reconciliation between NY Surplus and NAIC Surplus:</u>	
Surplus as regards to policyholders, NYDOI basis	\$ 66,726,864
Credit for Reinsurance from Unauthorized Insurers	<u>2,150,000</u>
Surplus as regards to policyholders, NAIC basis	<u>\$ 64,576,864</u>

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 Policy

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

Losses are recorded in the period paid and reserves are set to ultimate. Reinsurance premiums are paid timely and recoveries set-up when gross loss is incurred. The Company has a 100% Quota Share Agreement with its parent Liberty Mutual, Boston, Massachusetts.

In addition, the Company exercises 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 for 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) The Company does not own common stocks.
- 4) The Company does not own preferred stocks.
- 5) The Company does not own mortgage loans on real estate.
- 6) The Company does not own loan-backed securities.
- 7) The Company does not have investments in subsidiary and affiliated companies.
- 8) The Company does not have investments in joint ventures and partnerships.
- 9) The Company does not own derivatives instruments.
- 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.

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.

NOTES TO FINANCIAL STATEMENTS

B. Statutory Mergers

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

C. Imparment Loss

Not Applicable

Note 4- Discontinued Operations

Not Applicable

Note 5- Investments

Not Applicable

Note 6- Joint Ventures, Partnerships & Limited Liability Companies

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

B. 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

Not Applicable

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:

	<u>December 31, 2005</u>	<u>December 31, 2004</u>	<u>Change</u>
Total of gross deferred tax assets	907,000	622,000	285,000
Total of deferred tax liabilities	0	0	0
Net deferred tax asset	907,000	622,000	285,000
Net deferred tax asset non-admitted	(827,900)	(622,000)	(205,900)
Net admitted deferred tax asset	79,100	0	(79,100)

B. The Company does not have any Deferred Tax Liabilities requiring any additional disclosure under SSAP No. 10, Income Taxes, paragraph 6d.

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

	<u>2005</u>	<u>2004</u>
Federal	2,320,657	4,290,263
Net operating loss benefit	0	0
Foreign	0	0
Federal and foreign income tax incurred	2,320,657	4,290,263

The Company’s deferred tax assets and liabilities result primarily from the reversal of discount accretion on bonds and statutory non-admitted assets.

D.Effective tax rates differ from the current statutory rate of 41.75% principally due to the effects of tax-exempt interest, dividend-received deductions, discounting of reserves for unpaid losses and loss adjustment expenses, and unearned premium adjustment, investment impairments, and non-admitted deferred tax assets.

E. The amount of Federal income taxes incurred and available for recoupment in the event of future losses is none from the current year and none from the preceding year.

The Company had no net loss carry forward 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.	Liberty International Holdings, Inc.
ALM Services, Inc.	Liberty Life Assurance Company of Boston
Ambco Capital Corporation	Liberty Life Holdings, Inc.
America First Insurance Company	Liberty Lloyds of Texas Insurance Company
America First Lloyds Insurance Company	Liberty Management Services, Inc.
American Ambassador Casualty Company	Liberty Massachusetts Trust
Berkeley Holdings Company Associates, Inc.	Liberty Mexico Holdings, Inc.
Berkeley Management Corporation	Liberty Mutual Capital Corporation (Boston)

NOTES TO FINANCIAL STATEMENTS

Bridgefield Casualty Insurance Company	Liberty Mutual Fire Insurance Company
Bridgefield Employers Insurance Company	Liberty Mutual Group Inc.
Capitol Agency, Inc. (Arizona corporation)	Liberty Mutual Holding Company, Inc.
Capitol Agency, Inc. (Ohio corporation)	Liberty Mutual Insurance Company
Capitol Agency, Inc. (Tennessee corporation)	Liberty Mutual Managed Care, Inc.
Cascade Disability Management, Inc.	Liberty Northwest Insurance Corporation
Colorado Casualty Insurance Company	Liberty Personal Insurance Company
Companies Agency Insurance Services of California	Liberty RE (Bermuda) Limited
Companies Agency of Alabama, Inc.	
Companies Agency of Georgia, Inc.	Liberty Real Estate Corporation
Companies Agency of Kentucky, Inc.	Liberty Surplus Insurance Corporation
Companies Agency of Massachusetts, Inc.	Liberty-USA Corporation
Companies Agency of Michigan, Inc.	LIH-Re of America Corporation
Companies Agency of New York, Inc.	LIH U.S. P&C Corporation
Companies Agency of Pennsylvania, Inc.	LIIA Insurance Agency, Inc.
Companies Agency of Phoenix, Inc.	LIU Specialty Agency, Inc.
Companies Agency, Inc.	LLS Insurance Agency of Nevada, Inc.
Companies Annuity Agency of Texas, Inc.	LM Insurance Corporation
Consolidated Insurance Company	LMHC Massachusetts Holding, Inc.
Copley Venture Capital, Inc.	LRE Properties, Inc.
Countrywide Services Corporation	Mid-American Agency, Inc.
Diversified Settlements, Inc.	Mid-American Fire and Casualty Company
Employers Insurance Company of Wausau	Missouri Agency, Inc.
Excelsior Insurance Company	North Pacific Insurance Company
First State Agency, Inc.	Oregon Automobile Insurance Company
Florida State Agency, Inc.	Peerless Indemnity Insurance Company
Globe American Casualty Company	Peerless Insurance Company
Golden Eagle Insurance Corporation	LM Personal Insurance Company
Gulf States AIF, Inc.	LM General Insurance Company
Hawkeye-Security Insurance Company	LM Property and Casualty Insurance Company
Helmsman Insurance Agency of Illinois, Inc.	San Diego Insurance Company
Helmsman Insurance Agency of Texas, Inc.	State Agency, Inc. (Indiana corporation)
Heritage-Summit Healthcare of Florida, Inc.	State Agency, Inc. (Wisconsin corporation)
Indiana Insurance Company	St. James Insurance Company
LEXCO Limited	Summit Consulting, Inc.
Liberty Assignment Corporation	Summit Consulting, Inc. of Louisiana
Liberty Corporate Services, Inc.	Summit Holding Southeast, Inc.
Liberty Energy Corporation	The First Liberty Insurance Corporation
Liberty Financial Services, Inc.	The Midwestern Indemnity Company
Liberty Hospitality Group, Inc.	The National Corporation
Liberty Insurance Company of America	The Netherlands Insurance Company
Liberty Insurance Corporation	Wausau (Bermuda) Ltd.
Liberty Insurance Holdings, Inc.	Wausau Business Insurance Company
Liberty Insurance Underwriters, Inc.	Wausau General Insurance Company
Liberty International Aberdeen, Inc.	Wausau Holdings, Inc.
Liberty International Asia Pacific Holdings, Inc.	Wausau Service Corporation
	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. Nature of relationships
- The Company is a wholly owned subsidiary of Peerless Indemnity Insurance Company (PIC), an insurance company incorporated and domiciled in the state of Illinois. PIC is owned by LIH US P&C Corporation (DE). Liberty-USA Corporation, an insurance holding company, also incorporated in the state of Delaware owns all outstanding shares of LIH US P&C Corp. All of the outstanding shares of Liberty USA Corporation are owned by Peerless Insurance Company, an insurance company incorporated and domiciled in the state of New Hampshire. Liberty Insurance Holdings, Inc., a non-insurance holding company, incorporated in the state of Delaware owns all the outstanding shares of Peerless Insurance Company. All of the outstanding shares of Liberty Insurance Holdings, Inc. are owned by Liberty Mutual Insurance Company (“LMIC”), a Massachusetts domiciled insurance company.
- B. All non-insurance transactions which the Company had with its affiliates involved less than ½ of 1% of the total assets of the largest affiliate. See Note 25 for information regarding the inter-company pooling agreements.
- C. There have been no material changes in the terms of any inter-company arrangements.
- D. At December 31, 2005, the Company reported \$ 27,836,146 net due affiliates. In general, the terms of the inter-company arrangements require settlement at least quarterly.
- E. Guarantees or Contingencies for Related parties
- Not Applicable

NOTES TO FINANCIAL STATEMENTS

F. Management, Service Contracts, Cost Sharing Arrangements

The ultimate parent, LMIC, has agreed to provide certain management services to the Company.

G. Nature of Relationships that Could Affect Operations

The Company is part of a holding company structure as illustrated in Schedule Part 1.

H. Amount Deducted for Investment in Upstream Company

Not Applicable

I. The Company has no investments in subsidiary, controlled or affiliated companies.

J. Write down for Impairments of Investments in SCAs

Not Applicable

Note 11- Debt

A. The Company has no capital notes

B. All Other Debt

Not Applicable

Note 12- Retirement Plans, Deferred Compensation, Post employment 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, deferred compensation, or other post retirement benefit plans. Services for the operation of the Company are provided under provisions of an inter-company cost-sharing arrangement as described in note 10 (F).

Note13- Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations.

- 1. The Company has 50,000 shares authorized, issued and outstanding as of December 31, 2005. All shares have a stated par value of \$70. The Company has no preferred stock authorized, issued or outstanding.
- 2. The Company has no preferred stock outstanding.
- 3., 4. Dividend Restrictions

Dividends on common stock are paid as declared by the Board of Directors of the Company. Under the insurance regulations of the state of New York, the maximum amount of dividends, which the company may pay to shareholders, is limited to lesser of 10% of the most recent year-end policyholders surplus or the net investment income earned for the year. Statutory surplus as of December 31, 2005 was \$66,726,864. Accordingly, the maximum dividend payout to shareholders that may be made without prior approval is \$ 6,672,686. There were no shareholder dividends for the year ended December 31,2005.

- 5. There were no restrictions placed on the Company’s surplus, including for whom the surplus is being held.
- 6. The total amount of advances to surplus not repaid is \$ NONE.
- 7. The Company does not hold any Stocks for special purposes.
- 8. There are no changes in balances to Special Surplus Funds from prior year.
- 9. Changes in Unassigned Funds
Not Applicable
- 10. The Company issued no surplus debentures or similar obligations.
- 11. and 12. There were no restatements due to prior Quasi Reorganizations.

Note 14- Contingencies

A. Contingent Commitments

The Company has no commitments or contingent liabilities to affiliates or other entities.
Company has made no guarantees on behalf of affiliates.

B. Assessments

Not Applicable

C. Gain Contingencies

Not Applicable

D. All Other Contingencies

NOTES TO FINANCIAL STATEMENTS

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. The Company has no asset that it considers to be impaired.

Note 15- Leases

The Company leases office space under a non-cancelable operating lease agreement that expires on September 30th, 2013. the following is a schedule of the company's minimum lease obligations under this arrangement.

2006	\$ 2,680,279
2007	\$ 2,628,045
2008	\$ 2,710,366
2009	\$ 2,545,278
2010	\$ 2,545,278
Thereafter	\$ 6,999,515
Total	\$ 20,108,761

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

- A. Financial Instruments With Off-Balance Sheet Risk
- Not Applicable
- B. Financial Instruments With Concentrations of Credit Risk
- Not Applicable

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

- A. The Company did not have any transfers of receivables reported as sales during the year.
- B. The Company did not have any transfers and servicing of financial asset changes during the year.
- C. The Company did not engage in any Wash Sales during the year.

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

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

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

Name or Address of Managing General Agent	FEIN Number	Exclusive Contract	Types of Business Written	Type of Authority Granted *	Total Direct Written Premiums
Professional Indemnity				U, B, C	10,054,499

U = Underwrite
B = Bind
C = Collect

Note 20- September 11 Events

Catastrophe Loss of September 11 Events:

WTC Losses	Direct	Ceded	Net
Paid Loss and ALAE	5,946,484	5,946,484	0
Reserves	0	0	0

Note 21- Other Items

- A. Extraordinary Items
- Not Applicable

NOTES TO FINANCIAL STATEMENTS

B. Troubled Debt Restructuring for Debtors

Not Applicable

C. Other Disclosures

Assets in the amount of \$ 5,665,201 and \$ 5,725,761 at December 31, 2005 and 2004, respectively, were on deposit with government authorities or trustees as required by law.

D. Uncollectible Premiums Receivable

Not Applicable.

E. Business Interruption Insurance Recoveries

Not Applicable.

Note 22- Events Subsequent

Not Applicable.

Note 23- Reinsurance

A. Unsecured Reinsurance Recoverables

The Company’s unsecured aggregate recoverable for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium with any individual reinsures in excess of 3% of surplus, are displayed below.

NAIC code	Federal ID #	Name of Reinsurer	Amount
23043	04-1543470	Liberty Mutual Insurance Company	\$230,432,948
25364	13-1675535	Swiss Re America Corp.	70,537,534
26921	22-2005057	Everest Reinsurance Company	54,743,850
10227	13-4924125	America Re-Insurance Company	26,016,999
39848	48-0921045	Employers Reinsurance Corporation	25,834,887
32603	47-0574325	Berkeley Insurance Company	20,917,874
22969	36-2667627	GE Reinsurance Corporation	15,446,102
19453	13-5616275	Transatlantic Reinsurance	7,494,183
42439	13-2918573	Toa Re Insurance Company of America	6,216,032
N/A	AA-1126003	Lloyds Syndicate # 5000	4,604,376
N/A	AA-3190551	Goshawk Reins Ltd.	3,255,722
10241	AA-1340125	Hannover Ruckversicherungs - AG	2,820,849
N/A	AA-1128003	Lloyds Syndicate # 2003	2,801,616
23680	47-0698507	Odyssey America Reins Co (Canadian Branch)	2,744,650
N/A	AA-1126057	Lloyds Syndicate # 0570	2,609,010
22039	13-2673100	General Reinsurance Corp.	2,463,817
N/A	AA-1126078	Lloyds Syndicate # 0780	2,312,661

B. Reinsurance Recoverable in Dispute

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. Reinsurance Assumed and Ceded

1. The following table summarizes ceded and assumed unearned premiums and the related commission equity at December 31, 2005.

	Assumed Reinsurance		Ceded Reinsurance		Net Reinsurance	
	UEP	Commission Equity	UEP	Commission Equity	UEP	Commission Equity
Affiliates	\$0	\$0	\$49,158,009	\$3,217,622	\$(49,158,009)	\$(3,217,622)
All Other	\$164,574	\$0	\$77,265,018	\$21,778,187	\$(77,100,264)	\$(21,778,187)
Total	\$164,574	\$0	\$126,423,027	\$24,995,808	\$(126,258,273)	\$(24,995,808)

Direct Unearned Premium Reserve: 126,258,273

2. Certain agency agreements and ceded reinsurance 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	\$(3,987,286)	\$0	\$3,987,286	\$0
Sliding scale adjustments	\$0	\$0	\$0	\$0
Other profit commissions	\$0	\$0	\$0	\$0
Totals	\$(3,987,286)	\$0	\$3,987,286	\$0

3. Not Applicable.

D. Uncollectible Reinsurance

NOTES TO FINANCIAL STATEMENTS

Not Applicable.

E. Commutation of Ceded Reinsurance

The Company commuted several ceded reinsurance treaties in the current year with the reinsurers listed below. The net effect of the commutations was an increase in the losses and loss adjustment expenses of \$5,045,105. This amount is shown below by Income Statement classification and by reinsurer.

Income Statement Classification	Amount
Losses Incurred	\$7,608,944
Loss Adjustment Expenses Incurred	650,776
Premiums Earned	0
Other	(3,212,615)
Total	\$5,047,105
Classification by Reinsurer	Amount
Converium Reinsurance North America, 39136	\$5,047,105
Total	\$5,047,105

F. Retroactive reinsurance

Not Applicable

G. Reinsurance Accounted for as a Deposit

Not Applicable

Note 24- Retrospectively Rated Contracts and Contracts Subject to Predetermination

Not Applicable.

Note 25- Changes in Incurred Losses and Loss Adjustment Expenses

Not Applicable

Note 26- Inter-company Pooling Arrangements

		NAIC Co. #	Pooling %	Line of Business
Lead Company:	Liberty Mutual Insurance Company	23043	63.00%	All Lines
Affiliated Companies:	Employers Insurance Company of Wausau	21458	16.00%	All Lines
	Liberty Mutual Fire Insurance Company	23035	10.00%	All Lines
	Liberty Insurance Corporation	42404	6.00%	All Lines
	Golden Eagle Insurance Corporation	10836	2.50%	All Lines
	Montgomery Mutual Insurance Company	14613	0.70%	All Lines
	Wausau Business Insurance Company	26069	0.40%	All Lines
	LWausau General Insurance Company	26425	0.40%	All Lines
	Wausau Underwriters Insurance Company	26042	0.40%	All Lines
	Merchants and Business Men's Mutual Insurance Co.	14486	0.20%	All Lines
	LM Insurance Corporation	33600	0.20%	All Lines
	Montgomery Indemnity Company	16900	0.10%	All Lines
	The First Liberty Insurance Corporation	33588	0.10%	All Lines
100% Quota Share Affiliated Companies:	Companies: Liberty Lloyds of Texas Insurance Company	11041	0.00%	All Lines
	Liberty Insurance Company of America	10337	0.00%	All Lines
	Liberty Personal Insurance Company	11746	0.00%	All Lines
	Liberty Surplus Insurance Corporation	10725	0.00%	All Lines
	Liberty County Mutual Insurance Company	19544	0.00%	All Lines
	Liberty Insurance Underwriters, Inc.	19917	0.00%	All Lines
	Colorado Casualty Insurance Company	41785	0.00%	All Lines
	Bridgefield Employers Insurance Company	10701	0.00%	All Lines
	Bridgefield Casualty Insurance Company	10335	0.00%	All Lines

- (a) All cessions to non-affiliated reinsurers reported and ceded on an individual company basis are done prior to the cession of pooled business from the affiliated pool members to the lead company.
- (b) Liberty Mutual Insurance Company (LMIC) reports cessions to unaffiliated reinsurers on behalf of Liberty Mutual Fire Insurance Company, Liberty Insurance Corporation, LM Insurance Corporation, The First Liberty Insurance Corporation; and Employers Insurance Company of Wausau (EICOW) reports cessions to unaffiliated reinsurers on behalf of Wausau Business Insurance Company (WBIC), Wausau General Insurance Company (WGIC) and Wausau underwriters Insurance Company (WUIC) pursuant to the Inter-Company Reinsurance Agreement.
- (c) With the exception of WBIC, WGIC, and WUIC, all affiliated companies in the pool cede their net results to the Lead Company, LMIC; WBIC, WGIC and WUIC cede their net results to EICOW prior to its cession to the lead company.
- (d) The write off of uncollectible reinsurance is pooled and the Provision for Reinsurance is recognized by the entity placing the outbound external reinsurance.

NOTES TO FINANCIAL STATEMENTS

Note 27- Structured Settlements

Not Applicable.

Note 28- Health Care Receivables

Not Applicable.

Note 29- Participating Policies

Not Applicable

Note 30- Premium Deficiency Reserves

Not Applicable

Note 31- High Deductibles

Not Applicable.

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

A. Tabular Discounts

Not Applicable.

B. Non Tabular Discounts

Not Applicable.

Note 33- Asbestos/Environmental Reserves

A. Asbestos Reserves

The Company’s exposure to asbestos claims arose from the sale of marine liability policies (both primary and excess). The claimants’ exposure to asbestos arose from the use of asbestos products by ship workers and others and from exposure to asbestos in place on barges, seafaring vessels, etc.

The Company establishes full case reserves for all reported and validated asbestos claims. The Company’s IBNR reserves are established based on a review of prior experience. The asbestos claims do not constitute a material portion of the total gross claim reserves and there is no net retention by the company. The company holds reserves for incurred but not reported claims for all mass tort liabilities together as reported below under Environmental. The company does not segregate an amount for loss expense reserves for mass tort claims.

1. Asbestos, Direct	Calendar Year Ending				
	2001	2002	2003	2004	2005
Beginning reserves	\$ 52,000	\$ 274,000	\$274,000	\$268,792	\$268,792
Incurred Losses and LAE	\$ 222,000	0	5,208	0	0
Calendar year payments for losses and LAE	0	0	0	0	0
Ending Reserves	\$ 274,000	\$ 274,000	\$268,792	\$268,792	\$268,792

2. Asbestos, Assumed	Calendar Year Ending				
	2001	2002	2003	2004	2005
Beginning reserves	\$ 0	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Incurred Losses and LAE	10,000	0	0	0	0
Calendar year payments for losses and LAE	0	0	0	0	0
Ending Reserves	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000

3. Asbestos, Net of Reinsurance	Calendar Year Ending				
	2001	2002	2003	2004	2005
Beginning reserves	\$0	\$0	\$0	\$0	\$0
Incurred Losses and LAE	0	0	0	0	0
Calendar year payments for losses and LAE	0	0	0	0	0
Ending Reserves	\$0	\$0	\$0	\$0	\$0

B. Ending reserves for asbestos claims for bulk and IBNR losses and LAE included in (A) above:

Direct	\$0
Assumed	\$0

NOTES TO FINANCIAL STATEMENTS

C. Ending reserves for Loss Adjustment expenses included in A above (case, bulk and IBNR):

Direct	\$0
Net of reinsurance	\$0
Net	\$0

D. Environmental Reserves

The Company’s exposure to environmental claims arose from the sale of marine liability policies (both primary and excess). The exposure to environmental claims, which may also be referred to as “pollution”, “hazardous waste” or “environmental impairment liability” claims, arose from marine and energy facilities where hazardous substances have been deposited, stored, treated, disposed or otherwise placed. Liability may arise from owners and operators of such facilities and from generators and transporters of hazardous substances. A small number of other mass tort claims, such as lead paint, benzene, etc. are included in this category, without any significant impact.

The Company establishes full case reserves for all reported and validated pollution claims. The Company’s IBNR reserves are established based on a review of prior experience. The pollution claims do not constitute a material portion of the total gross claim reserves and there is no net retention by the company. The company holds reserves for incurred but not reported claims for all mass tort liabilities together as reported below. The company does not segregate an amount for loss expense reserves for mass tort claims.

1. Environmental, Direct	Calendar Year Ending				
	2001	2002	2003	2004	2005
Beginning reserves	\$706,000	\$474,000	\$474,000	\$474,000	\$474,000
Incurred Losses and LAE	(232,000)	0	0	0	0
Calendar year payments for losses and LAE	0	0	0	0	0
Ending Reserves	\$474,000	\$474,000	\$474,000	\$474,000	\$474,000

2. Environmental, Assumed	Calendar Year Ending				
	2001	2002	2003	2004	2005
Beginning reserves	\$0	\$0	\$0	\$0	\$0
Incurred Losses and LAE	0	0	0	0	0
Calendar year payments for losses and LAE	0	0	0	0	0
Ending Reserves	\$0	\$0	\$0	\$0	\$0

3. Environmental, Net of Reinsurance.	Calendar Year Ending				
	2001	2002	2003	2004	2005
Beginning reserves	\$0	\$0	\$0	\$0	\$0
Incurred Losses and LAE	0	0	0	0	0
Calendar year payments for losses and LAE	0	0	0	0	0
Ending Reserves	\$0	\$0	\$0	\$0	\$0

E. Ending reserves for environmental claims for bulk IBNR losses and LAE included in D above:

Direct	\$416,104
Assured	None
Net	0

F. Ending reserves for environmental claims for loss adjustment expenses included in D above (case, bulk and IBNR):

Direct	\$0
--------	-----

Note 34- Subscriber Savings Accounts

Not Applicable

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	29,704,417	24.124	29,704,417	24.124
1.2 U.S. government agency obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies		0.000		0.000
1.22 Issued by U.S. government sponsored agencies		0.000		0.000
1.3 Foreign government (including Canada, excluding mortgaged-backed securities)		0.000		0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations		0.000		0.000
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations		0.000		0.000
1.43 Revenue and assessment obligations	4,042,986	3.283	4,042,986	3.283
1.44 Industrial development and similar obligations		0.000		0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Issued or guaranteed by GNMA	12,130,980	9.852	12,130,980	9.852
1.512 Issued or guaranteed by FNMA and FHLMC	22,808,354	18.523	22,808,354	18.523
1.513 All other	4,366,375	3.546	4,366,375	3.546
1.52 CMOs and REMICs:				
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA		0.000		0.000
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		0.000		0.000
1.523 All other	1,089,211	0.885	1,089,211	0.885
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	16,334,570	13.266	16,334,570	13.266
2.2 Unaffiliated foreign securities		0.000		0.000
2.3 Affiliated securities		0.000		0.000
3. Equity interests:				
3.1 Investments in mutual funds		0.000		0.000
3.2 Preferred stocks:				
3.21 Affiliated		0.000		0.000
3.22 Unaffiliated		0.000		0.000
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated		0.000		0.000
3.32 Unaffiliated		0.000		0.000
3.4 Other equity securities:				
3.41 Affiliated		0.000		0.000
3.42 Unaffiliated		0.000		0.000
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated		0.000		0.000
3.52 Unaffiliated		0.000		0.000
4. Mortgage loans:				
4.1 Construction and land development		0.000		0.000
4.2 Agricultural		0.000		0.000
4.3 Single family residential properties		0.000		0.000
4.4 Multifamily residential properties		0.000		0.000
4.5 Commercial loans		0.000		0.000
4.6 Mezzanine real estate loans		0.000		0.000
5. Real estate investments:				
5.1 Property occupied by the company		0.000	0	0.000
5.2 Property held for the production of income (including \$of property acquired in satisfaction of debt)		0.000	0	0.000
5.3 Property held for sale (including \$ property acquired in satisfaction of debt)		0.000	0	0.000
6. Contract loans		0.000	0	0.000
7. Receivables for securities		0.000	0	0.000
8. Cash, cash equivalents and short-term investments	31,617,713	25.677	31,617,713	25.677
9. Other invested assets	1,039,486	0.844	1,039,486	0.844
10. Total invested assets	123,134,092	100.000	123,134,092	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 [X] No []
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [X] No [] NA []
- 1.3

State Regulating?

New York
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]
- 2.2

If yes, date of change:

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.

12/31/2001
- 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).

03/11/2005
- 3.4

By what department or departments? Property & Casualty Bureau of the New York State Insurance Department
- 4.1

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

4.11 sales of new business?

Yes [] No [X]

4.12 renewals?

Yes [] No [X]
- 4.2

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

4.21 sales of new business?

Yes [] No [X]

4.22 renewals?

Yes [] No [X]
- 5.1

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

Yes [] No [X]
- 5.2

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

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

- 6.1

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

Yes [] No [X]
- 6.2

If yes, give full information N/A
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [] No [X]
- 7.2

If yes,

7.21 State the percentage of foreign control;

7.22 State the nationality(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 or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

- 8.1

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

Yes [] No [X]
- 8.2

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

N/A
- 8.3

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

Yes [] No [X]
- 8.4

If response to 8.3 is yes, please provide the names and location (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?

Kevin Cawley, Libert Mutual Insurance Group, 55 Water Street, New York, NY 10041
- 11.1

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

Yes [] No [X]

11.11

Name of real estate holding company

11.12

Number of parcels involved

11.13

Total book/adjusted carrying value

\$
- 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?

N/A
- 12.2

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

Yes [] No []
- 12.3

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

Yes [] No []
- 12.4

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

Yes [] No [] NA [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?

Yes [X] No []
14.

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

Yes [X] No []
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 likely to conflict with the official duties of such person?

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 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 of the assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in this statement?

Yes [] No [X]
- 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?

Yes [] No [X]
- 18.2

If answer is yes,

18.21

Amount paid as losses or risk adjustment

\$

18.22

Amount paid as expenses

\$

18.23

Other amounts paid

\$
- 19.1

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

Yes [] No [X]
- 19.2

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

\$

GENERAL INTERROGATORIES
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 the 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 other securities restricted as to sale ...

\$.....

21.29

Other

\$.....

21.3 For category (21.28) provide the following:

1 Nature of Restriction	2 Description	3 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 [] NA [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. \$.....0

GENERAL INTERROGATORIES

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:

<div>1</div> <div>Name of Custodian(s)</div>	<div>2</div> <div>Custodian's Address</div>
JP Morgan Chase.....	3 Chase Metro Tech Center, Brooklyn, NY.....

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:

<div>1</div> <div>Name(s)</div>	<div>2</div> <div>Location(s)</div>	<div>2</div> <div>Complete Explanation(s)</div>
.....
.....

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:

<div>1</div> <div>Old Custodian</div>	<div>2</div> <div>New Custodian</div>	<div>3</div> <div>Date of Change</div>	<div>4</div> <div>Reason</div>
.....
.....

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

<div>1</div> <div>Central Registration Depository Number(s)</div>	<div>2</div> <div>Name</div>	<div>2</div> <div>Address</div>
.....
.....

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 [] No [X]

25.2 If yes, complete the following schedule:

<div>1</div> <div>CUSIP #</div>	<div>2</div> <div>Name of Mutual Fund</div>	<div>3</div> <div>Book/Adjusted Carrying Value</div>
.....
.....
25.2999 TOTAL		0

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

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

GENERAL INTERROGATORIES

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	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-) or Fair Value over Statement (+)
26.1 Bonds.....	122,295,074		(122,295,074)
26.2 Preferred stocks.....	0		0
26.3 Totals	122,295,074	0	(122,295,074)

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

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

27.2 If no, list the exceptions:

OTHER

28.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?.....\$381,916

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
Insurance Services Office.....	350,047

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
.....
.....

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 Name	2 Amount Paid
.....
.....

GENERAL INTERROGATORIES

(continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1.1

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

Yes [] No [X]

1.2

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

\$0

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$0

1.31

Reason for excluding

N/A.....

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$0

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$0

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$0

1.62

Total incurred claims

\$0

1.63

Number of covered lives

\$0

All years prior to most current three years:

1.64

Total premium earned

\$0

1.65

Total incurred claims

\$0

1.66

Number of covered lives

\$0

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$0

1.72

Total incurred claims

\$0

1.73

Number of covered lives

\$0

All years prior to most current three years:

1.74

Total premium earned

\$0

1.75

Total incurred claims

\$0

1.76

Number of covered lives

\$0

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

\$0

\$0

2.2

Premium Denominator

\$0

\$0

2.3

Premium Ratio (2.1/2.2)

.....0.000

.....0.000

2.4

Reserve Numerator

\$0

\$0

2.5

Reserve Denominator

\$0

\$0

2.6

Reserve Ratio (2.4/2.5)

.....0.000

.....0.000

3.1

Does the reporting entity issue both participating and non-participating policies?

Yes [] No [X]

3.2

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

3.21

Participating policies.....

\$

3.22

Non-participating policies.....

\$

4.

For Mutual Reporting Entities and Reciprocal Exchanges Only:

4.1

Does the reporting entity issue assessable policies?.....

Yes [] No []

4.2

Does the reporting entity issue non-assessable policies?.....

Yes [] No []

4.3

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

%

4.4

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

\$

5.

For Reciprocal Exchanges Only:

5.1

Does the Exchange appoint local agents?.....

Yes [] No []

5.2

If yes, is the commission paid:

5.21

Out of Attorney's-in-fact compensation.....

Yes [] No [] NA []

5.22

As a direct expense of the Exchange.....

Yes [] No [] NA []

5.3

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

.....

5.4

Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?.....

Yes [] No []

5.5

If yes, give full information

.....

17

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

6.1

What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?.....
The Company does not write Workers' Compensation Insurance.....

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.
All property locations are tracked by the company. The World Cat and Open Energy softwares are used to analyze exposure concentrations and platform aggregations for windstorm, earthquake, and terrorism event scenarios.....

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?.....
The Company has purchased proportional and risk catastrophe excess of loss reinsurance to protect from concentrations of insured wind and earthquake exposures for at least a 1-in-100 and 1-in-250 year return period, respectively.

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 it s exposure to uninsured catastrophic loss.
.....

7.1

Has this 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 ratio cap, an aggregate limit or any similar provision)?.....

Yes

[X]

No

[]

7.2

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

7.3

If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?.....

Yes

[]

No

[X]

8.1

Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?.....

Yes

[]

No

[X]

8.2

If yes, give full information
.....

9.1

Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 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 under approved pooling agreements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member, where:

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

(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates.
Do not include 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.

Yes

[]

No

[X]

9.3

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

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

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

(c) A brief discussion of management's principal 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

[]

NA

[]

11.1

Has this 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
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

12.1

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

12.11

Unpaid losses

\$

12.12

Unpaid underwriting expenses (including loss adjustment expenses)

\$

12.2

Of the amount on Line 13.3, Page 2, state the amount which is secured by letters of credit, collateral and other funds

\$

12.3

If the reporting entity underwrites commercial insurance risks, such as workers' compensation are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?

Yes

☐

]

No

☐

]

NA

☒

[X]

12.4

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

12.41

From

%

12.42

To

%

12.5

Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by the reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?

Yes

☐

]

No

☒

[X]

12.6

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

12.61

Letters of Credit

\$

12.62

Collateral and other funds

\$

13.1

What amount of installment notes is owned and now held by the reporting entity?

\$

0

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):

\$

0

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

☐

]

No

☒

[X]

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 this amount.

15.1

Is the company a cedant in a multiple cedant reinsurance contract?

Yes

☒

[X]

No

☐

]

15.2

If yes, please describe the method of allocating and recording reinsurance among the cedants:
Premium allocation was based on percentages of subject income for the business and entities covered under each contract. Losses were allocated as they were incurred under the contract. In the case of a multi-cedant loss, a proportional allocation of losses to each contract would have taken place.

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

☒

[X]

15.4

If the answer to 15.3 is no, are all the methods described in 15.2 entirely contained in writer agreements?

Yes

☐

]

No

☒

[X]

15.5

If answer to 15.4 is no, please explain:
Based on each entity's expected subject premium for the contract period, a detailed worksheet was prepared spreading ceded premium in line with each entity's subject premium. Losses were allocated proportionately as they were incurred under the contract.

16.1

Has the reporting entity guaranteed any financed premium accounts?

Yes

☐

]

No

☒

[X]

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		Direct Losses		Direct Written		Direct Premium		Direct Premium
	Incurred		Unpaid		Premium		Unearned		Earned
17.11 Home	\$		\$		\$		\$		\$
17.12 Products	\$		\$		\$		\$		\$
17.13 Automobile	\$		\$		\$		\$		\$
17.14 Other*	\$		\$		\$		\$		\$

* Disclose type of coverage:

GENERAL INTERROGATORIES
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? Yes [] No [X]

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 reverses 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 commissions portion of Interrogatory 18.11.....	\$.....

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

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 reverses 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 commissions 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)	232,710,758	229,788,950	184,245,479	61,498,094	5,289,633
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	(326,947)	4,005,059	13,742,509	12,159,860	14,043,443
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	31,671,417	45,165,503	72,719,580	90,340,528	80,397,650
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	10,125,693	9,697,172	11,157,355	11,600,215	10,658,619
5. Non-proportional reinsurance lines (Lines 30, 31 & 32)	0	0	0	0	0
6. Total (Line 34)	274,180,921	288,656,684	281,864,923	175,598,697	110,389,345
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)	0	0	0	0	0
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	0	0	0	0	0
11. Non-proportional reinsurance lines (Lines 30, 31 & 32)	0	0	0	0	0
12. Total (Line 34)	0	0	0	0	0
Statement of Income (Page 4)					
13. Net underwriting gain (Loss) (Line 8)	0	0	0	0	0
14. Net investment gain (Loss) (Line 11)	5,558,585	8,104,331	1,200,575	1,016,901	1,320,139
15. Total other income (Line 15)	0	0	0	0	0
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	2,320,657	4,290,263	264,127	355,915	338,236
18. Net income (Line 20)	3,237,928	3,814,068	936,448	660,986	981,903
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 24, Col. 3)	135,118,739	115,988,754	91,515,601	69,537,555	82,546,687
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 13.1)	0	0	0	0	0
20.2 Deferred and not yet due (Line 13.2)	0	0	0	0	0
20.3 Accrued retrospective premiums (Line 13.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 24)	68,391,875	54,095,683	30,755,312	63,045,917	66,705,627
22. Losses (Page 3, Lines 1 and 2)	0	0	0	0	0
23. Loss adjustment expenses (Page 3, Line 3)	0	0	0	0	0
24. Unearned premiums (Page 3, Line 9)	0	0	0	0	0
25. Capital paid up (Page 3, Lines 28 & 29)	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
26. Surplus as regards policyholders (Page 3, Line 35)	66,726,864	61,893,071	60,760,289	6,491,638	15,841,059
Risk-Based Capital Analysis					
27. Total adjusted capital	66,726,864	61,893,071	60,760,289	6,491,638	15,841,059
28. Authorized control level risk-based capital	18,702,949	14,165,123	9,277,477	4,324,868	3,134,526
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)	73.5	104.0	67.3	257.0	13.9
30. Stocks (Lines 2.1 & 2.2)	0.0	0.0	0.0	0.0	0.0
31. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
32. Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0	0.0	0.0	0.0
33. Cash, cash equivalents and short-term investments (Line 5)	25.7	(5.1)	31.3	(157.0)	86.1
34. Contract loans (Line 6)	0.0	0.0	0.0	XXX	XXX
35. Other invested assets (Line 7)	0.8	1.1	1.1	0.0	0.0
36. Receivables for securities (Line 8)	0.0	0.0	0.3	0.0	0.0
37. Aggregate write-ins for invested assets (Line 9)	0.0	0.0	0.0	0.0	0.0
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 (Schedule D, Summary, Line 25, Col. 1)	0	0	0	0	0
40. Affiliated preferred stocks (Schedule D, Summary, Line 39, Col. 1)	0	0	0	0	0
41. Affiliated common stocks (Schedule D, Summary, Line 53, Col. 2)	0	0	0	0	0
42. Affiliated short-term investments (subtotals included in Schedule DA, Part 2, Col. 5, Line 11)	0	0	0	0	0
43. Affiliated mortgage loans on real estate	0	0	0	0	0
44. All other affiliated	0	0	0	0	0
45. Total of above Lines 39 to 44	0	0	0	0	0
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)	0.0	0.0	0.0	0.0	0.0

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)	(108,956)	0	0	0	0
48. Dividends to stockholders (Line 35)	0	0	0	0	0
49. Change in surplus as regards policyholders for the year (Line 38)	4,833,795	1,132,782	54,268,652	(9,349,422)	(1,902,845)
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)	17,087,667	7,831,048	733,619	1,467,631	0
51. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,869,714	17,381,322	4,137,554	7,737,007	6,756,265
52. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	39,985,221	49,254,706	35,814,719	32,360,462	59,438,013
53. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	0	0	0	0	0
54. Nonproportional reinsurance lines (Lines 30, 31 & 32)	0	0	0	0	0
55. Total (Line 34)	58,942,602	74,467,076	40,685,892	41,565,100	66,194,278
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)	0	0	0	0	0
57. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
58. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
59. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33)	0	0	0	0	0
60. Nonproportional reinsurance lines (Lines 30, 31 & 32)	0	0	0	0	0
61. Total (Line 34)	0	0	0	0	0
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)	0.0	0.0	0.0	0.0	0.0
64. Loss expenses incurred (Line 3)	0.0	0.0	0.0	0.0	0.0
65. Other underwriting expenses incurred (Line 4)	0.0	0.0	0.0	0.0	0.0
66. Net underwriting gain (loss) (Line 8)	0.0	0.0	0.0	0.0	0.0
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)	0.0	0.0	0.0	0.0	0.0
68. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	0.0	0.0	0.0	0.0	0.0
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)	0.0	0.0	0.0	0.0	0.0
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)	0	0	0	0	0
71. Percent of development of loss 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)	0.0	0.0	0.0	0.0	0.0
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)	0	0	0	0	0
73. Percent of development of loss 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)	0.0	0.0	0.0	0.0	0.0

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year					
Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS Governments (Including all obligations guaranteed by governments)	1. United States	41,835,398	40,611,743	42,086,941	41,130,980
	2. Canada	0	0	0	0
	3. Other Countries	0	0	0	0
	4. Totals	41,835,398	40,611,743	42,086,941	41,130,980
States, Territories and Possessions (Direct and guaranteed)	5. United States	0	0	0	0
	6. Canada	0	0	0	0
	7. Other Countries	0	0	0	0
	8. Totals	0	0	0	0
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States	0	0	0	0
	10. Canada	0	0	0	0
	11. Other Countries	0	0	0	0
	12. Totals	0	0	0	0
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States	26,851,341	26,036,049	26,872,731	26,902,523
	14. Canada	0	0	0	0
	15. Other Countries	0	0	0	0
	16. Totals	26,851,341	26,036,049	26,872,731	26,902,523
Public Utilities (unaffiliated)	17. United States	4,067,649	3,941,400	4,082,390	4,000,000
	18. Canada	0	0	0	0
	19. Other Countries	0	0	0	0
	20. Totals	4,067,649	3,941,400	4,082,390	4,000,000
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States	17,223,071	16,561,980	17,434,318	16,799,447
	22. Canada	0	0	0	0
	23. Other Countries	499,436	476,750	499,360	500,000
	24. Totals	17,722,507	17,038,730	17,933,678	17,299,447
Parent, Subsidiaries and Affiliates	25. Totals	0	0	0	0
	26. Total Bonds	90,476,895	87,627,922	90,975,740	89,332,950
PREFERRED STOCKS Public Utilities (unaffiliated)	27. United States	0	0	0	
	28. Canada	0	0	0	
	29. Other Countries	0	0	0	
	30. Totals	0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)	31. United States	0	0	0	
	32. Canada	0	0	0	
	33. Other Countries	0	0	0	
	34. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	35. United States	0	0	0	
	36. Canada	0	0	0	
	37. Other Countries	0	0	0	
	38. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	39. Totals	0	0	0	
	40. Total Preferred Stocks	0	0	0	
COMMON STOCKS Public Utilities (unaffiliated)	41. United States	0	0	0	
	42. Canada	0	0	0	
	43. Other Countries	0	0	0	
	44. Totals	0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)	45. United States	0	0	0	
	46. Canada	0	0	0	
	47. Other Countries	0	0	0	
	48. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	49. United States	0	0	0	
	50. Canada	0	0	0	
	51. Other Countries	0	0	0	
	52. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	53. Totals	0	0	0	
	54. Total Common Stocks	0	0	0	
	55. Total Stocks	0	0	0	
	56. Total Bonds and Stocks	90,476,895	87,627,922	90,975,740	

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1. Book/adjusted carrying value of bonds and stocks, prior year.....	101,242,861	7. Amortization of premium.....	203,577
2. Cost of bonds and stocks acquired, Column 7, Part 3	1,000,000	8. Foreign Exchange Adjustment:	
3. Accrual of discount.....	32,013	8.1 Column 15, Part 1	0
4. Increase (decrease) by adjustment:.....		8.2 Column 19, Part 2, Sec. 1.....	0
4.1 Columns 12 - 14, Part 1.....	(108,956)	8.3 Column 16, Part 2, Sec. 2	0
4.2 Columns 15 - 17, Part 2, Sec. 1.....	0	8.4 Column 15, Part 4	0
4.3 Column 15, Part 2, Sec. 2.....	0	9. Book/adjusted carrying value at end of current period	90,476,892
4.4 Columns 11 - 13, Part 4	0	10. Total valuation allowance	0
5. Total gain (loss), Col. 19, Part 4	169,453	11. Subtotal (Lines 9 plus 10)	90,476,892
6. Deduct consideration for bonds and stocks disposed of		12. Total nonadmitted amounts	0
Column 7, Part 4	11,654,902	13. Statement value of bonds and stocks, current period	90,476,892

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 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	Number of Claims Reported Direct and Assumed
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	46	46	123	123	10	10	0	0	XXX
2. 1996	78,050	78,050	0	59,108	59,108	5,266	5,266	1,656	1,656	501	0	XXX
3. 1997	82,773	82,773	0	47,992	47,992	5,008	5,008	2,796	2,796	1,527	0	XXX
4. 1998	84,509	84,509	0	53,620	53,620	5,045	5,045	2,481	2,481	1,740	0	XXX
5. 1999	83,453	83,453	0	100,702	100,702	4,815	4,815	791	791	3,443	0	XXX
6. 2000	74,836	74,836	0	55,686	55,686	3,281	3,281	550	550	3,053	0	XXX
7. 2001	87,343	87,343	0	82,579	82,579	6,654	6,654	1,631	1,631	7,744	0	XXX
8. 2002	128,917	128,917	0	44,572	44,572	7,010	7,010	3,291	3,291	12,247	0	XXX
9. 2003	236,881	236,881	0	58,117	58,117	9,101	9,101	2,190	2,190	10,355	0	XXX
10. 2004	289,247	289,247	0	30,280	30,280	8,040	8,040	(477)	(477)	842	0	XXX
11. 2005	284,875	284,875	0	3,189	3,189	1,726	1,726	(62)	(62)	98	0	XXX
12. Totals	XXX	XXX	XXX	535,891	535,891	56,069	56,069	14,859	14,859	41,550	0	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding - Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1.	520	520	0	0	47	47	0	0	535	535	0	0	XXX
2.	133	133	0	0	2	2	0	0	5	5	0	0	XXX
3.	59	59	0	0	17	17	0	0	15	15	0	0	XXX
4.	386	386	0	0	0	0	0	0	31	31	0	0	XXX
5.	1,818	1,818	55	55	222	222	25	25	132	132	0	0	XXX
6.	1,556	1,556	(175)	(175)	39	39	513	513	94	94	0	0	XXX
7.	1,731	1,731	612	612	728	728	1,502	1,502	122	122	0	0	XXX
8.	6,206	6,206	11,300	11,300	1,725	1,725	3,367	3,367	235	235	0	0	XXX
9.	16,054	16,054	59,601	59,601	5,403	5,403	6,865	6,865	1,389	1,389	0	0	XXX
10.	15,249	15,249	120,179	120,179	6,572	6,572	9,551	9,551	2,977	2,977	0	0	XXX
11.	61,185	61,185	112,769	112,769	8,151	8,151	13,229	13,229	4,301	4,301	0	0	XXX
12. Totals	104,897	104,897	304,341	304,341	22,906	22,906	35,052	35,052	9,835	9,835	0	0	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter- Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	0	0
2.	66,170	66,170	0	84.8	84.8	0.0	0	0		0	0
3.	55,887	55,887	0	67.5	67.5	0.0	0	0		0	0
4.	61,563	61,563	0	72.8	72.8	0.0	0	0		0	0
5.	108,560	108,560	0	130.1	130.1	0.0	0	0		0	0
6.	61,544	61,544	0	82.2	82.2	0.0	0	0		0	0
7.	95,559	95,559	0	109.4	109.4	0.0	0	0		0	0
8.	77,706	77,706	0	60.3	60.3	0.0	0	0		0	0
9.	158,720	158,720	0	67.0	67.0	0.0	0	0		0	0
10.	192,371	192,371	0	66.5	66.5	0.0	0	0		0	0
11.	204,488	204,488	0	71.8	71.8	0.0	0	0		0	0
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	0	0

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

NONE

Schedule P - Part 3 - Summary

NONE

Schedule P - Part 4 - Summary

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories									
States, etc.	1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		Is Insurer Licensed? (Yes or No)	2 Direct Premiums Written						
1. Alabama	AL	Yes	986,117	1,422,305	0	1,019,300	4,971,289	7,213,648	0
2. Alaska	AK	Yes	2,127,561	2,316,997	0	250,505	(672,170)	1,843,932	0
3. Arizona	AZ	Yes	3,106,458	3,891,055	0	1,379,200	1,447,594	3,592,389	0
4. Arkansas	AR	Yes	1,485,441	1,900,919	0	2,182,130	5,112,432	5,462,604	0
5. California	CA	Yes	36,941,896	38,443,713	0	7,823,398	30,956,395	59,701,422	0
6. Colorado	CO	Yes	3,346,462	3,157,858	0	369,356	1,394,449	3,601,996	0
7. Connecticut	CT	Yes	4,113,953	4,311,334	0	288,422	2,641,117	5,903,911	0
8. Delaware	DE	Yes	336,621	141,797	0	0	12,882	202,868	0
9. District of Columbia	DC	Yes	378,613	476,321	0	0	104,056	556,441	0
10. Florida	FL	Yes	5,362,200	6,215,710	0	2,144,693	3,800,731	7,277,681	0
11. Georgia	GA	Yes	5,185,988	5,292,305	0	1,450,291	1,799,035	6,412,877	0
12. Hawaii	HI	Yes	2,212,588	2,209,758	0	197,088	880,307	2,712,757	0
13. Idaho	ID	Yes	665,624	883,684	0	72,655	121,779	762,807	0
14. Illinois	IL	Yes	20,198,698	21,662,424	0	1,117,337	8,222,178	24,509,607	0
15. Indiana	IN	Yes	3,458,029	3,372,118	0	1,248,174	3,813,892	5,590,482	0
16. Iowa	IA	Yes	1,146,376	1,301,239	0	46,000	361,979	1,487,887	0
17. Kansas	KS	Yes	2,801,918	2,830,676	0	285,370	527,513	2,687,992	0
18. Kentucky	KY	Yes	1,819,899	1,815,529	0	368,674	876,746	1,932,266	0
19. Louisiana	LA	Yes	1,916,833	2,334,983	0	7,464,738	20,684,795	21,564,968	0
20. Maine	ME	Yes	815,415	801,084	0	235,000	196,957	488,828	0
21. Maryland	MD	Yes	2,705,022	2,380,190	0	395,000	997,445	2,358,525	0
22. Massachusetts	MA	Yes	8,874,715	8,750,950	0	689,536	3,209,030	7,589,399	0
23. Michigan	MI	Yes	3,898,715	3,694,558	0	349,109	2,163,066	5,780,047	0
24. Minnesota	MN	Yes	4,230,599	4,616,954	0	330,235	2,131,401	6,351,933	0
25. Mississippi	MS	Yes	1,037,237	1,341,135	0	50,654	396,955	1,796,805	0
26. Missouri	MO	Yes	4,256,735	4,463,753	0	563,338	2,191,697	6,137,438	0
27. Montana	MT	Yes	440,160	515,372	0	0	479,125	725,094	0
28. Nebraska	NE	Yes	1,272,651	1,347,738	0	694,222	586,756	1,810,410	0
29. Nevada	NV	Yes	1,486,773	1,951,041	0	191,500	720,722	2,715,796	0
30. New Hampshire	NH	Yes	1,542,038	1,365,207	0	6,314	221,444	904,789	0
31. New Jersey	NJ	Yes	10,083,523	11,894,237	0	1,258,125	6,973,034	19,040,677	0
32. New Mexico	NM	Yes	118,377	401,080	0	741,354	69,183	1,150,186	0
33. New York	NY	Yes	62,715,614	62,447,796	0	2,958,258	29,408,257	71,181,645	0
34. North Carolina	NC	Yes	3,781,507	3,148,980	0	14,456	1,172,192	4,050,330	0
35. North Dakota	ND	Yes	168,629	234,917	0	0	32,659	254,081	0
36. Ohio	OH	Yes	6,284,957	5,402,944	0	257,593	2,455,108	8,413,876	0
37. Oklahoma	OK	Yes	1,500,649	1,901,902	0	271,465	673,949	2,361,252	0
38. Oregon	OR	Yes	2,950,675	2,821,156	0	61,159	737,535	3,015,761	0
39. Pennsylvania	PA	Yes	7,825,046	8,083,332	0	629,972	3,984,699	9,795,746	0
40. Rhode Island	RI	Yes	3,502,563	3,453,261	0	238,932	775,941	3,732,155	0
41. South Carolina	SC	Yes	417,308	573,958	0	243,032	501,118	766,598	0
42. South Dakota	SD	Yes	241,677	261,512	0	0	32,742	253,826	0
43. Tennessee	TN	Yes	3,187,012	2,692,028	0	10,500	924,141	2,868,274	0
44. Texas	TX	Yes	19,005,668	21,633,510	0	12,735,830	33,469,365	56,140,205	0
45. Utah	UT	Yes	2,638,446	2,412,580	0	255,227	790,539	1,737,325	0
46. Vermont	VT	Yes	187,512	192,167	0	0	66,117	201,257	0
47. Virginia	VA	Yes	3,055,607	2,771,465	0	239,349	906,128	3,177,919	0
48. Washington	WA	Yes	11,280,496	12,289,842	0	3,602,820	5,613,307	11,872,347	0
49. West Virginia	WV	Yes	2,720,221	2,876,137	0	1,607,521	2,733,487	3,215,496	0
50. Wisconsin	WI	Yes	3,714,226	3,714,105	0	17,384	1,321,848	4,342,941	0
51. Wyoming	WY	Yes	36,571	51,449	0	0	13,148	252,098	0
52. American Samoa	AS	No	0	0	0	0	0	0	0
53. Guam	GU	No	0	0	0	0	0	0	0
54. Puerto Rico	PR	No	0	0	0	0	(3,853)	(1,568)	0
55. U.S. Virgin Islands	VI	No	0	0	0	0	(26,181)	(1,208)	0
56. Canada	CN	No	0	1,851	0	0	(10,762)	1,854	0
57. Aggregate Other Aliens	OT	XXX	(9,446)	(250,362)	0	1,089,887	(2,570,154)	1,588,484	0
58. Totals	(a) 51		273,558,169	284,218,547	0	57,445,102	190,395,144	409,089,153	0
DETAILS OF WRITE-INS									
5701. Alien(01)		XXX	(9,446)	(250,362)	0	1,089,887	(2,570,154)	1,588,484	0
5702.		XXX							
5703.		XXX							
5798. Summary of remaining write-ins for Line 57 from overflow page		XXX	0	0	0	0	0	0	0
5799. Totals (Lines 5701 through 5703 + 5798) (Line 57 above)		XXX	(9,446)	(250,362)	0	1,089,887	(2,570,154)	1,588,484	0

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

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

SCHEDULE T – PART 2
INTERSTATE COMPACT PRODUCTS – EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

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

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[illegible]