AMENDED EXPLANATION COVER

Amended filing is being done to include statement of actuarial opinion.

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ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2011

OF THE CONDITION AND AFFAIRS OF THE

Real Legacy Assurance Company, Inc

NAIC Group Code 3526 (Current Period), ________ (Prior Period) NAIC Company Code 36749 Employer's ID Number 660357766

Organized under the Laws of Puerto Rico, State of Domicile or Port of Entry Puerto Rico

Country of Domicile PR

Incorporated/Organized December 10, 1974 Commenced Business January 1, 1978

Statutory Home Office Metro Office Park Street 1 Lot 4, Guaynabo, Puerto Rico 00968-1805
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office Metro Office Park Street 1 Lot 4, Guaynabo, Puerto Rico 00968-1805 (787) 273-7800
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address PO Box 71467, San Juan, Puerto Rico 00936-8567
(Street and Number or P.O. Box, City or Town, State and Zip Code)

Primary Location of Books and Records Metro Office Park Street 1 Lot 4, Guaynabo, Puerto Rico 00968-1805
(Street and Number, City or Town, State and Zip Code)

(Area Code) (Telephone Number)

Internet Website Address www.reallegacyassurance.com

Statutory Statement Contact Ramon L Ortiz 787-273-7800
(Name) (Area Code) (Telephone Number) (Extension)

ramon.ortiz@rla-pr.com 787-774-0199
(E-Mail Address) (Fax Number)

OFFICERS

Gidel H Mendez Martinez (President)
Hector L Rivera Diaz (Secretary - Treasurer)
Ramon L Ortiz Rodriguez (Finance Director)

OTHER OFFICERS

Dennis Hanftwurzel (Vice-President Underwriting & Marketing)
Victor M Gomez (Vice-President Claims)

DIRECTORS OR TRUSTEES

Roberto Castro Hiraldo
Gidel H Mendez Martinez
Edwin Quinones Suarez
Luis A Velazquez Vera
Enrique A Lopez Pereira

State of ________
County of ________ } 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.

Gidel H Mendez-Martinez President	Hector L Rivera Diaz Secretary - Treasurer	Ramon L Ortiz Rodriguez Finance Director

Subscribed and sworn to before me this
day of 2012

a. Is this an original filing? Yes ( ) No (X)

b. If no:
1. State the amendment number 3
2. Date filed April 19, 2012
3. Number of pages attached 2

ASSETS

	Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Column 1 minus Column 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	115,525,611		115,525,611	119,240,374
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	(2,814,278)		(2,814,278)	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $ .... encumbrances)				
4.2 Properties held for the production of income (less $ .... encumbrances)				
4.3 Properties held for sale (less $ .... encumbrances)				
5. Cash ($ 8,114,116 , Schedule E - Part 1), cash equivalents ($ .... , Schedule E - Part 2) and short-term investments ($ .... , Schedule DA)	8,114,116		8,114,116	12,406,965
6. Contract loans (including $ .... premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)				
9. Receivables for securities				
10. Securities lending reinvested collateral assets (Schedule DL)				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Line 1 through Line 11)	120,825,449		120,825,449	131,647,339
13. Title plants less $ .... charged off (for Title insurers only)				
14. Investment income due and accrued	1,058,439		1,058,439	750,979
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	18,181,018	1,546,667	16,634,351	15,535,541
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ .... earned but unbilled premiums)				
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	6,255,461		6,255,461	4,077,610
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts	8,357,069		8,357,069	
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon	236,976		236,976	
18.2 Net deferred tax asset	2,516,749	2,485,317	31,432	
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	161,160		161,160	324,379
21. Furniture and equipment, including health care delivery assets ($ ....)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	626,978		626,978	65,012
24. Health care ($ ....) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	937,026	937,026		245,993
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25)	159,156,325	4,969,010	154,187,315	152,646,853
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Line 26 and Line 27)	159,156,325	4,969,010	154,187,315	152,646,853
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above)				
2501. Other Assets	238,452	238,452		
2502. Prepaid Pension Costs	698,574	698,574		
2503. Intangible Asset				245,993
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	937,026	937,026		245,993

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	22,527,814	21,697,912
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Columnn 6)		
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	4,827,430	4,891,835
4.	Commissions payable, contingent commissions and other similar charges	199,165	209,645
5.	Other expenses (excluding taxes, licenses and fees)	1,111,057	4,443,752
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	119,622	112,744
7.1	Current federal and foreign income taxes (including $ .... on realized capital gains (losses))	39,321	39,321
7.2	Net deferred tax liability	209,572	207,884
8.	Borrowed money $ .... and interest thereon $	3,975,526	
9.	Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $ ..... 19,827,000 and including warranty reserves of $ .... and accrued accident and health experience rating refunds including $ .... for medical loss ratio rebate per the Public Health Service Act)	45,838,768	41,997,751
10.	Advance premium	154,580	220,389
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)	3,074,177	512,960
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		
14.	Amounts withheld or retained by company for account of others	553,129	588,955
15.	Remittances and items not allocated		
16.	Provision for reinsurance (Schedule F, Part 7)	212,200	212,200
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates		
20.	Derivatives		
21.	Payable for securities		8,120,000
22.	Payable for securities lending		
23.	Liability for amounts held under uninsured plans		
24.	Capital notes $ .... and interest thereon $		
25.	Aggregate write-ins for liabilities	3,962,211	2,357,276
26.	Total liabilities excluding protected cell liabilities (Line 1 through Line 25)	86,804,572	85,612,624
27.	Protected cell liabilities		
28.	Total liabilities (Line 26 and Line 27)	86,804,572	85,612,624
29.	Aggregate write-ins for special surplus funds	40,202,286	38,813,510
30.	Common capital stock	3,000,000	3,000,000
31.	Preferred capital stock		
32.	Aggregate write-ins for other than special surplus funds		
33.	Surplus notes		
34.	Gross paid in and contributed surplus		
35.	Unassigned funds (surplus)	24,180,457	25,220,719
36.	Less treasury stock, at cost:		
	36.1 .... shares common (value included in Line 30 $ ....)		
	36.2 .... shares preferred (value included in Line 31 $ ....)		
37.	Surplus as regards policyholders (Line 29 to Line 35, less Line 36) (Page 4, Line 39)	67,382,743	67,034,229
38.	Totals (Page 2, Line 28, Column 3)	154,187,315	152,646,853

DETAILS OF WRITE-INS

2501.	Minimum Retention on Catastrophe Exposure		
2502.	Pension Plan Minimum Liability	3,962,211	2,357,276
2503.			
2598.	Summary of remaining write-ins for Line 25 from overflow page		
2599.	Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	3,962,211	2,357,276
2901.	RESERVE FOR CATASTROPHE INSURANCE LOSSES PURSUANT TO CH.25 OF THE INS. CODE OF PR	40,202,286	38,813,510
2902.			
2903.			
2998.	Summary of remaining write-ins for Line 29 from overflow page		
2999.	Totals (Line 2901 through Line 2903 plus Line 2998) (Line 29 above)	40,202,286	38,813,510
3201.			
3202.			
3203.			
3298.	Summary of remaining write-ins for Line 32 from overflow page		
3299.	Totals (Line 3201 through Line 3203 plus Line 3298) (Line 32 above)		

STATEMENT OF INCOME

UNDERWRITING INCOME	1 Current Year	2 Prior Year
1. Premiums earned (Part 1, Line 35, Column 4)	43,112,505	34,422,996
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7)	14,728,281	8,326,171
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	5,714,758	4,702,253
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	24,388,210	19,823,925
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Line 2 through Line 5)	44,831,249	32,852,349
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(1,718,744)	1,570,647
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	3,682,764	3,914,279
10. Net realized capital gains (losses) less capital gains tax of $ .... (Exhibit of Capital Gains (Losses))	62,502	40,442
11. Net investment gain (loss) (Line 9 plus Line 10)	3,745,266	3,954,721
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered $ .... , amount charged off $ ....)		
13. Finance and service charges not included in premiums		
14. Aggregate write-ins for miscellaneous income		
15. Total other income (Line 12 through Line 14)		
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 8 plus Line 11 plus Line 15)	2,026,522	5,525,368
17. Dividends to policyholders		
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	2,026,522	5,525,368
19. Federal and foreign income taxes incurred	(236,976)	
20. Net income (Line 18 minus Line 19) (to Line 22)	2,263,498	5,525,368
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	67,034,229	59,239,498
22. Net income (from Line 20)	2,263,498	5,525,368
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of $	(326,176)	(521,956)
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	(157,508)	331,304
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3)	419,628	(190,021)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		(34,000)
29. Change in surplus notes		
30. Surplus (contributed to) withdrawn from protected cells		
31. Cumulative effect of changes in accounting principles		
32. Capital changes:		
32.1 Paid in		
32.2 Transferred from surplus (Stock Dividend)		
32.3 Transferred to surplus		
33. Surplus adjustments:		
33.1 Paid in		
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders		
36. Change in treasury stock (Page 3, Line 36.1 and Line 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus	(1,850,928)	2,684,036
38. Change in surplus as regards policyholders for the year (Line 22 through Line 37)	348,514	7,794,731
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	67,382,743	67,034,229
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. Totals (Line 0501 through Line 0503 plus Line 0598) (Line 5 above)		
1401.		
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Line 1401 through Line 1403 plus Line 1498) (Line 14 above)		
3701. Catastrophe Reserve Reclassification		3,389,078
3702. Pension Plan Minimum Liability	(1,850,928)	(705,042)
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Line 3701 through Line 3703 plus Line 3798) (Line 37 above)	(1,850,928)	2,684,036

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	48,603,527	35,334,481
2. Net investment income	3,373,908	4,004,377
3. Miscellaneous income		
4. Total (Line 1 through Line 3)	51,977,435	39,338,858
5. Benefit and loss related payments	16,076,229	14,640,895
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	39,170,182	24,420,977
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of $ .... tax on capital gains (losses)	(1)	(4)
10. Total (Line 5 through Line 9)	55,246,410	39,061,868
11. Net cash from operations (Line 4 minus Line 10)	(3,268,975)	276,990
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	101,205,000	86,274,000
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Line 12.1 through Line 12.7)	101,205,000	86,274,000
13. Cost of investments acquired (long-term only):		
13.1 Bonds	97,426,339	86,447,055
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications	8,120,000	1,150,406
13.7 Total investments acquired (Line 13.1 through Line 13.6)	105,546,339	87,597,461
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(4,341,339)	(1,323,461)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		(5,298,334)
16.3 Borrowed funds	3,975,526	
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(658,059)	4,778,212
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	3,317,467	(520,122)
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)	(4,292,847)	(1,566,593)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of period	12,406,965	13,973,558
19.2 End of year (Line 18 plus Line 19.1)	8,114,118	12,406,965

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

20.0001		
20.0002		
20.0003		
20.0004		
20.0005		
20.0006		
20.0007		
20.0008		
20.0009		
20.0010		

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year-per Column 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year-per Column 5 Part 1A	4 Premiums Earned During Year (Columns 1 plus 2 minus 3)
1. Fire	7,869,620	3,550,030	3,955,329	7,464,321
2. Allied lines	6,319,396	7,366,294	7,824,139	5,861,551
3. Farmowners multiple peril				
4. Homeowners multiple peril	7,144,296	7,613,046	9,756,961	5,000,381
5. Commercial multiple peril	15,574,161	11,454,474	12,360,962	14,667,673
6. Mortgage guaranty				
8. Ocean marine	260,602	1,108,441	822,766	546,277
9. Inland marine	9,123	123,555	31,826	100,852
10. Financial guaranty				
11.1 Medical professional liability - occurrence				
11.2 Medical professional liability - claims-made				
12. Earthquake	(2,153,400)	3,884,841	4,079,536	(2,348,095)
13. Group accident and health				
14. Credit accident and health (group and individual)				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability - occurrence	3,925,765	2,151,598	2,351,452	3,725,911
17.2 Other liability - claims-made				
17.3 Excess Workers' Compensation				
18.1 Products liability - occurrence	74,983	40,011	44,529	70,465
18.2 Products liability - claims-made				
19.1, 19.2 Private passenger auto liability	956,287	656,121	594,474	1,017,934
19.3, 19.4 Commercial auto liability	1,811,810	904,349	1,081,953	1,634,206
21. Auto physical damage	4,777,274	2,651,936	2,660,480	4,768,730
22. Aircraft (all perils)				
23. Fidelity	4,341	2,375	9,491	(2,775)
24. Surety	89,269	30,319	21,684	97,904
26. Burglary and theft	(208)	892		684
27. Boiler and machinery	290,202	459,470	243,186	506,486
28. Credit				
29. International				
30. Warranty				
31. Reinsurance - Nonproportional Assumed Property				
32. Reinsurance - Nonproportional Assumed Liability				
33. Reinsurance - Nonproportional Assumed Financial Lines				
34. Aggregate write-ins for other lines of business				
35. TOTALS	46,953,521	41,997,752	45,838,768	43,112,505
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)				

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A-RECAPITULATION OF ALL PREMIUMS

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Columns 1 + 2 + 3 + 4
1. Fire	3,954,440	889			3,955,329
2. Allied lines	7,820,429	3,710			7,824,139
3. Farmowners multiple peril					
4. Homeowners multiple peril	9,756,961				9,756,961
5. Commercial multiple peril	11,747,455	613,507			12,360,962
6. Mortgage guaranty					
8. Ocean marine	822,766				822,766
9. Inland marine	24,237	7,589			31,826
10. Financial guaranty					
11.1 Medical professional liability - occurrence					
11.2 Medical professional liability - claims-made					
12. Earthquake	4,073,595	5,941			4,079,536
13. Group accident and health					
14. Credit accident and health (group and individual)					
15. Other accident and health					
16. Workers' compensation					
17.1 Other liability - occurrence	2,347,833	3,619			2,351,452
17.2 Other liability - claims-made					
17.3 Excess Workers' Compensation					
18.1 Products liability - occurrence	44,529				44,529
18.2 Products liability - claims-made					
19.1, 19.2 Private passenger auto liability	594,474				594,474
19.3, 19.4 Commercial auto liability	1,077,054	4,899			1,081,953
21. Auto physical damage	2,439,893	220,587			2,660,480
22. Aircraft (all perils)					
23. Fidelity	1,980	7,511			9,491
24. Surety	21,684				21,684
26. Burglary and theft					
27. Boiler and machinery	191,617	51,569			243,186
28. Credit					
29. International					
30. Warranty					
31. Reinsurance - Nonproportional Assumed Property					
32. Reinsurance - Nonproportional Assumed Liability					
33. Reinsurance - Nonproportional Assumed Financial Lines					
34. Aggregate write-ins for other lines of business					
35. TOTALS	44,918,947	919,821			45,838,768
36. Accrued retrospective premiums based on experience					
37. Earned but unbilled premiums					
38. Balance (Sum of Line 35 through Line 37)					45,838,768
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
3498. Summary of remaining write-ins for Line 34 from overflow page					
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)					

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B-PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed 2 From Affiliates	Reinsurance Assumed 3 From Non-Affiliates	Reinsurance Ceded 4 To Affiliates	Reinsurance Ceded 5 To Non-Affiliates	6 Net Premiums Written Columns 1 + 2 + 3 - 4 - 5
1. Fire	13,321,663				5,452,043	7,869,620
2. Allied lines	28,329,031				22,009,635	6,319,396
3. Farmowners multiple peril						
4. Homeowners multiple peril	19,302,936				12,158,640	7,144,296
5. Commercial multiple peril	24,469,013				8,894,852	15,574,161
6. Mortgage guaranty						
8. Ocean marine	1,519,768				1,259,166	260,602
9. Inland marine	24,637				15,514	9,123
10. Financial guaranty						
11.1 Medical professional liability - occurrence						
11.2 Medical professional liability - claims-made						
12. Earthquake	12,861,076				15,014,476	(2,153,400)
13. Group accident and health						
14. Credit accident and health (group and individual)						
15. Other accident and health						
16. Workers' compensation						
17.1 Other liability - occurrence	5,783,347				1,857,582	3,925,765
17.2 Other liability - claims-made						
17.3 Excess Workers' Compensation						
18.1 Products liability - occurrence	86,057				11,074	74,983
18.2 Products liability - claims-made						
19.1, 19.2 Private passenger auto liability	1,818,320				862,033	956,287
19.3, 19.4 Commercial auto liability	3,848,969				2,037,159	1,811,810
21. Auto physical damage	7,619,091				2,841,817	4,777,274
22. Aircraft (all perils)						
23. Fidelity	3,960				(381)	4,341
24. Surety	195,548				106,279	89,269
26. Burglary and theft					208	(208)
27. Boiler and machinery	906,295				616,093	290,202
28. Credit						
29. International						
30. Warranty						
31. Reinsurance - Nonproportional Assumed Property	XXX					
32. Reinsurance - Nonproportional Assumed Liability	XXX					
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX					
34. Aggregate write-ins for other lines of business						
35. TOTALS	120,089,711				73,136,190	46,953,521
DETAILS OF WRITE-INS						
3401.						
3402.						
3403.						
3498. Summary of remaining write-ins for Line 34 from overflow page						
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)						

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes ( ) No (X)
If yes: 1. The amount of such installment premiums $ ....
2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis $ ....

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage 1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Columns 1 plus 2 minus 3)	5 Net Losses Unpaid Current Year (Part 2A, Column 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Columns 4 plus 5 minus 6)	8 Percentage of Losses Incurred (Column 7, Part 2) to Premiums Earned (Column 4, Part 1)
1. Fire	1,462,851		271,618	1,191,233	1,702,632	997,571	1,896,294	25.4
2. Allied lines	446,879		138,507	308,372	1,957,791	635,159	1,631,004	27.8
3. Farmowners multiple peril								
4. Homeowners multiple peril	2,253,206		232,800	2,020,406	758,224	685,217	2,093,413	41.9
5. Commercial multiple peril	5,605,017		2,125,918	3,479,099	9,750,084	9,473,539	3,755,644	25.6
6. Mortgage guaranty								
8. Ocean marine	614,340		142,189	472,151	80,000	116,836	435,315	79.7
9. Inland marine	7,467		226	7,241	88,357	59,843	35,755	35.5
10. Financial guaranty								
11.1 Medical professional liability - occurrence								
11.2 Medical professional liability - claims-made								
12. Earthquake	2,732		683	2,049	6,250	33,007	(24,708)	1.1
13. Group accident and health								
14. Credit accident and health (group and individual)								
15. Other accident and health								
16. Workers' compensation								
17.1 Other liability - occurrence	1,985,373		526,652	1,458,721	4,363,515	4,687,197	1,135,039	30.5
17.2 Other liability - claims-made								
17.3 Excess Workers' Compensation								
18.1 Products liability - occurrence	500			500	6,000	24,000	(17,500)	(24.8)
18.2 Products liability - claims-made								
19.1, 19.2 Private passenger auto liability	1,693,758		887,647	806,111	298,492	1,616,437	(511,834)	(50.3)
19.3, 19.4 Commercial auto liability	2,212,821		1,059,113	1,153,708	2,823,043	2,242,553	1,734,198	106.1
21. Auto physical damage	4,282,409		1,382,708	2,899,701	576,587	898,219	2,578,069	54.1
22. Aircraft (all perils)								
23. Fidelity								
24. Surety	25,000		54	24,946	(9,817)	1,100	14,029	14.3
26. Burglary and theft								
27. Boiler and machinery	84,146		9,996	74,150	126,647	227,234	(26,437)	(5.2)
28. Credit								
29. International								
30. Warranty								
31. Reinsurance- Nonproportional Assumed Property	XXX							
32. Reinsurance- Nonproportional Assumed Liability	XXX							
33. Reinsurance- Nonproportional Assumed Financial Lines	XXX							
34. Aggregate write-ins for other lines of business								
35. TOTALS	20,676,499		6,778,111	13,898,388	22,527,805	21,697,912	14,728,281	34.2
DETAILS OF WRITE-INS								
3401.								
3402.								
3403.								
3498. Summary of remaining write-ins for Line 34 from overflow page								
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)								

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8	9
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excluding Incurred But Not Reported (Columns 1 plus 2 minus 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded	Net Losses Unpaid (Columns 4 plus 5 plus 6 minus 7)	Net Unpaid Loss Adjustment Expenses
1. Fire	8,854,310		7,151,678	1,702,632				1,702,632	791,315
2. Allied lines	2,296,100		883,052	1,413,048	705,826		161,083	1,957,791	398,868
3. Farmowners multiple peril									
4. Homeowners multiple peril	495,442		20,715	474,727	313,700		30,203	758,224	142,375
5. Commercial multiple peril	9,099,780		1,820,632	7,279,148	2,823,305		352,369	9,750,084	2,000,007
6. Mortgage guaranty									
8. Ocean marine	80,000			80,000				80,000	11,697
9. Inland marine	25,000		5,000	20,000	78,425		10,068	88,357	2,851
10. Financial guaranty									
11.1 Medical professional liability - occurrence									
11.2 Medical professional liability - claims-made									
12. Earthquake	7,000		750	6,250				6,250	8,824
13. Group accident and health								(a)	
14. Credit accident and health (group and individual)									
15. Other accident and health								(a)	
16. Workers' compensation									
17.1 Other liability - occurrence	3,892,363		1,867,301	2,025,062	2,509,604		171,151	4,363,515	550,014
17.2 Other liability - claims-made									
17.3 Excess Workers' Compensation									
18.1 Products liability - occurrence	6,000			6,000				6,000	3,192
18.2 Products liability - claims-made									
19.1, 19.2 Private passenger auto liability	1,195,851		1,335,590	(139,739)	548,976		110,745	298,492	27,886
19.3, 19.4 Commercial auto liability	5,222,152		2,594,113	2,628,039	235,275		40,271	2,823,043	719,096
21. Auto physical damage	520,525		323,880	196,645	470,551		90,609	576,587	170,974
22. Aircraft (all perils)									
23. Fidelity									
24. Surety	1,000		750	250			10,067	(9,817)	332
26. Burglary and theft									
27. Boiler and machinery					156,850		30,203	126,647	
28. Credit									
29. International									
30. Warranty									
31. Reinsurance- Nonproportional Assumed Property	XXX				XXX				
32. Reinsurance- Nonproportional Assumed Liability	XXX				XXX				
33. Reinsurance- Nonproportional Assumed Financial Lines	XXX				XXX				
34. Aggregate write-ins for other lines of business									
35. TOTALS	31,695,523		16,003,461	15,692,062	7,842,512		1,006,769	22,527,805	4,827,431
DETAILS OF WRITE-INS									
3401.									
3402.									
3403.									
3498. Summary of remaining write-ins for Line 34 from overflow page									
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)									

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	3,855,638			3,855,638
1.2 Reinsurance assumed				
1.3 Reinsurance ceded	774,675			774,675
1.4 Net claim adjustment services (Line 1.1 plus Line 1.2 minus Line 1.3)	3,080,963			3,080,963
2. Commission and brokerage:				
2.1 Direct excluding contingent		19,913,832		19,913,832
2.2 Reinsurance assumed excluding contingent		2,619		2,619
2.3 Reinsurance ceded excluding contingent		5,837,917		5,837,917
2.4 Contingent - direct		200,000		200,000
2.5 Contingent - reinsurance assumed				
2.6 Contingent - reinsurance ceded				
2.7 Policy and membership fees				
2.8 Net commission and brokerage (Line 2.1 plus Line 2.2 minus Line 2.3 plus Line 2.4 plus Line 2.5 minus Line 2.6 plus Line 2.7)		14,278,534		14,278,534
3. Allowances to manager and agents				
4. Advertising		443,354		443,354
5. Boards, bureaus and associations		951,332		951,332
6. Surveys and underwriting reports		5,140		5,140
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries	1,431,380	3,304,734	141,664	4,877,778
8.2 Payroll taxes	151,116	351,707	13,114	515,937
9. Employee relations and welfare	522,183	1,433,096	50,583	2,005,862
10. Insurance		148,359		148,359
11. Directors' fees		18,100		18,100
12. Travel and travel items	12,918	525,306		538,224
13. Rent and rent items	217,794	763,348	28,463	1,009,605
14. Equipment	91,801	254,191		345,992
15. Cost or depreciation of EDP equipment and software		156,291	5,828	162,119
16. Printing and stationery	33,640	51,914	1,936	87,490
17. Postage, telephone and telegraph, exchange and express	40,334	64,525	2,126	106,985
18. Legal and auditing		220,784		220,784
19. Totals (Line 3 through Line 18)	2,501,166	8,692,181	243,714	11,437,061
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of $		810,213		810,213
20.2 Insurance department licenses and fees	3,304	(226,340)		(223,036)
20.3 Gross guaranty association assessments				
20.4 All other (excluding federal and foreign income and real estate)		347,332		347,332
20.5 Total taxes, licenses and fees (Line 20.1 plus Line 20.2 plus Line 20.3 plus Line 20.4)	3,304	931,205		934,509
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	129,325	486,290	192,064	807,679
25. Total expenses incurred	5,714,758	24,388,210	435,778	(a) 30,538,746
26. Less unpaid expenses - current year	4,827,430			4,827,430
27. Add unpaid expenses - prior year	4,891,833	1,797,755		6,689,588
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Line 25 minus Line 26 plus Line 27 minus Line 28 plus Line 29)	5,779,161	26,185,965	435,778	32,400,904
DETAILS OF WRITE-INS				
2401. EDP Service Fees	115,756	448,535	16,725	581,016
2402. Other Expenses	13,569	37,755	175,339	226,663
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page				
2499. Totals (Line 2401 through Line 2403 plus Line 2498) (Line 24 above)	129,325	486,290	192,064	807,679

(a) Includes management fees of $ 500,000 to affiliates and $ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a) 3,451,430	3,608,229
1.1	Bonds exempt from U.S. tax	(a) 321,032	399,562
1.2	Other bonds (unaffiliated)	(a)	
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
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)	110,751
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income		
10.	Total gross investment income	3,772,462	4,118,542
11.	Investment expenses		(g) 435,778
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income		
16.	Total deductions (Line 11 through Line 15)		435,778
17.	Net investment income (Line 10 minus Line 16)		3,682,764
	DETAILS OF WRITE-INS		
0901.			
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page		
0999.	Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)		
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Line 1501 through Line 1503 plus Line 1598) (Line 15 above)		

(a) Includes $ 18,496 accrual of discount less $ 17,099 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 $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued interest on purchases.
(f) Includes $ .... accrual of discount less $ .... amortization of premium.
(g) Includes $ .... investment expenses and $ .... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes $ .... interest on surplus notes and $ .... interest on capital notes.
(i) Includes $ .... depreciation on real estate and $ .... depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Cols. 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	62,502		62,502		
1.1	Bonds exempt from U.S. tax					
1.2	Other bonds (unaffiliated)					
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)					
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)					
2.21	Common stocks of affiliates				(326,176)	
3.	Mortgage loans					
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments					
7.	Derivative instruments					
8.	Other invested assets					
9.	Aggregate write-ins for capital gains (losses)					
10.	Total capital gains (losses)	62,502		62,502	(326,176)	
	DETAILS OF WRITE-INS					
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)					

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivable for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Line 1 to Line 11)			
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	1,546,667	1,800,074	253,407
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset	2,485,317	2,672,570	187,253
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets			
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivable from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other than invested assets	937,026	915,994	(21,032)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25)	4,969,010	5,388,638	419,628
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Line 26 and Line 27)	4,969,010	5,388,638	419,628
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above)			
2501. Other Assets	238,452	257,997	19,545
2502. Prepaid Pension Cost	698,574	657,997	(40,577)
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	937,026	915,994	(21,032)

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

A. Real Legacy Assurance Company,Inc. , a wholly owned subsidiary of Cooperativa de Seguros Multiples de Puerto Rico, is organized under the laws of the Commonwealth of Puerto Rico to write principally commercial multiple peril and auto liability/physical insurance. Also the Company is the parent company of Overseas Insurance Agency, Inc. Effective August 2, 2004 the Company received regulatory approval to change its name from Royal & SunAlliance Insurance Puerto Rico, Inc. to Real Legacy Assurance Company, Inc. The Company's business activities are with insureds located within Puerto Rico, the U.S. and British Virgin Islands.
Businesswritten through general insurance agents is collected by the general agents and remitted to the Company, net of commissions. Remittances are due after 55 days after the closing date of the general agent's current account.

The accompanying financial statements of Real Legacy Assurance, Inc. have been prepared on the basis of accounting practices prescribed or permitted by the Commonwealth of Puerto Rico Office of the Commissioner of Insurance which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles (GAAP).

The Commonwealth of Puerto Rico Office of the Commissioner of Insurance requires insurance companies domiciled in Puerto Rico to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices* and *Procedures Manual* subject to any deviation prescribed or permitted by the Office of the Commissioner of Insurance of Puerto Rico. Many changes were made to this NAIC manual effective January 1, 2001.

The Commissioner of Insurance has the right to permit other specific practices that may deviate from prescribed practices. The Commissioner of Insurance has adopted certain permitted accounting practices, which differ from those found in NAIC SAP. To that effect, the Commissioner of Insurance permitted the derecognition of the deferred tax liability resulting from the contributions made over the years to the catastrophe loss reserve trust fund that would otherwise resulted under NAIC SAP.
The monetary effects on statutory capital and surplus of using accounting practices permitted by the Commissioner of Insurance at December 31, 2011 and 2010 are as follows:

	2011	2010
Statutory capital and surplus per accompanying statutory financial statements	$67,382,743	67,034,229
Effect of Commissioner of Insurance permitted practice of not recognizing deferred tax liability for catastrophe loss reserve trust fund contributions.	(8,167,348)	(9,534,883)
Statutory capital and surplus in accordance with NAIC SAP	$59,215,395	57,499,345

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. 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 nesessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined. Actual results could differ from these estimates.

C. Accounting Policies

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

In addition, the Company uses the following accounting policies:

1. Short-term investments are stated at cost.

2. Investments are valued in accordance with rules promulgated by National Association of Insurance Commissioners (NAIC). Bonds are stated at cost adjusted for amortization of premiums and accretion of discounts. The disclosures of estimated fair values are based on NAIC -quoted prices when available. If quoted prices are not available, fair values are based on quoted market prices of comparable instruments or values obtained from independent pricing services. Investment transactions are included on the basis of the trade date. The company has unsettled transactions of $0 and $8,120,000 at December 31, 2011 and 2010 , respectively. The interest method is used to record bond amortization. The Company monitors the difference between the cost and estimated fair value of their investments. A decline in the fair value below cost that is deemed to be other than temporary results in a reduction in the carrying amount to fair value with a charge to operations and a new cost basis for the security is established.

3. Common stocks from investment in subsidiary are accounted for under the statutory equity methos and adjusted to reflect the equity in the results of operations as an increase or decrease in surplus.

4. The Company does not own preferred stocks.

Note 2- Accounting Changes and corrections of errors

Not applicable

Note 3- Business Combinations and Goodwill

Not applicable

Note 4- Discontinued Operations
Not applicable

5. Note 5- Investments
A. Mortgage loans or real estate.
Not applicable

B. Debt restructuring
Not applicable

C. Reverse mortgages
Not applicable

D. Loan – backed securities
Not applicable

E. Repurchase agreements
Not applicable

F. Real Estate
Not applicable

G. Low income housing tax credits
Not applicable

Note 6- Joint Ventures, Partnerships and Limited Liability Companies
Not applicable

Note 7- Investment Income
There are no exclusions from investment income due and accrued since the balance is admitted in its entirety.

Note 8- Derivative Instruments
The Company does not own derivatives.

Note 9 - Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributabe to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The company reviews its deferred tax assets for recoverability and establishes a valuation allowance based on historical taxable income, projected future taxable income, applicable tax strategies, and the expected timing of the reversal of existing temporary differences. A valuation allowance is provided when it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company recognizes deferred tax assets for the future tax consequences attributable to differences between the financial statements carrying amounts and the respective tax bases for income tax expense calculations. The components of the net deferred tax assets recognized in the Company's statements are as follows:

Gross deferred tax assets:

	2011	2010
Employee benefits plan	1,188,663	919,338
Deferred compensation	582,978	742,615
Non-admitted assets	745,108	1,059,267
Total gross Deferred tax assets	2,516,749	2,721,220
Non-admitted deferred tax assets	2,485,317	2,672,569
Net admitted deferred tax assets	31,432	48,651
Deferred tax liability:		
Prepaid pension cost	209,572	256,533
Net deferred taxes	(178,140)	(207,883)

On January 31, 2011, the Governor of Puerto Rico signed into laws the Internal Revenue Code for a New Puerto Rico (the New Code). This law replaces the Puerto Rico Internal Revenue code od 1994, as amended (1994 Code), and as the latter one it covers the Puerto Rico income tax, gift and state tax, sales and use tax, excise tax, liquor tax, and their administrative provisions. The New Code retains the twenty percent (20%) regular income tax rate but establishe significant lower surtax rates and elimanates the five percent (5%) additional tax describe above established by ACt. No. 7. Under the New Code, the maximum rate will be 30% unless the Company make a decision to apply the provisions of the 1994 Code for a period of 5 years, in wich case the 30% would be applicable after the 5-year period.

Current Income Tax

Current income taxes incurred consist of the following major components:

Description	2011	2010
Current Income Tax Expense Taxes recovered – Prior year under/(over) accrual of tax reserves	(236,976)	(39,321)
Current income taxes incurred	(236,976)	(39,321)

Income tax expense differs from the amount computed by applying the Puerto Rico statutory income tax rate to the income before income taxes as a result of the following:

	2011	2010
Income before taxes	2,027	5,525
Statutory tax rate	30.00%	40.95%
Expected income tax expense at statutory tax rate of 30.0% and 40.95% at 2011 and 2010, respectively	608	2,262
Decrease in taxes resulting from:		
Exempt interest income	(1,202)	(1,789)
Dividend received deduction	(105)	(149)
Change in deferred tax asset	158	(331)
Catastrophe reserve deduction	(417)	
Other	197	
Total	(1,369)	(2,269)
Current income tax expense (benefit)	-	-
Change in net deferred tax	158	(331)
Total statutory income tax benefit	158	(331)

Operating Loss and Tax Credit Carryforwards

1. At December 31, 2011, the Company did not have any unused operating loss carryfowards available to offset against future taxable income.

2. At December 31, 2011 the amount of $236,976 corresponding to an overaccrual of income taxes for the previous year is available for recoupment in the event of future net income.

F. Consolidated Federal Income Tax Return

Not applicable

Note 10- Information concerning Parent, Subsidiary and Affiliated companies:

Real Legacy Assurance company is the owner of 100% of the outstanding common stock of Overseas insurance Agency, Inc. The company accounts for this investment under the statutory equity method. After making the necessary adjustments to account for this investment, the unassigned surplus was charged $460,199 and $521,956 in 2011 and 2010, respectively. The Agency charges the Company a monthly fee for the use of certain property and equipment. Related party transactions also include an allocation of rental from the Company of the office space occupied by the Agency. The company also charges the Agency for other administrative expenses associated with the operation of the Agenccy.

The gross premiums written placed through Overseas amounted to $50,895,265 and $44,068,991 in 2011 and 2010 respectively. The following is a summary of other transactions with Overseas during the years ended December 31, 2011 and 2010.

	2011	2010
Commissions Paid	9,252,604	7,959,179

Contingent Commissions	-0-	-0-
Allocation for rental office space	290,447	280,361
Allocation from Overseas for cost of fixed assets	203,798	279,345
Allocation to Overseas for general business expenses	500,000	177,500

At December 31, 2011 and December 31, 2010 the company reported a balance (due to)/from its subsidiary of $503,075 and $65,012 respectively. These arrangements require that intercompany balances be settled within 45 days.

Management Service Contracts, Cost Sharing Arrangements

The Company has agreed to provide certain management and data processing services to its wholly-owned subsidiary. The Parent has agreed to provide certain management services to the Company.

Nature of Relationships that Could Affect Operations

100% of the outstanding shares of the Company are owned by Cooperativa de Seguros Multiples, an insurance company based in San Juan, Puerto Rico.

Note 11 Debt

The Company has a revolving line of credit with Scotiabank in the amount of $12 million bearing interest al Libor plus 150 basis points. The Company has carve-out $250,000 of the line of credit and has this amount available in favor of the British Virgin Islands Financial Services Commission as a requirement to perform business on the British Virgin Islands. There is no outstanding balance on this line at December 31, 2011.

The Company has a margin account with Santander Securities. The Company is required to maintain a collateral security deposit with the lender. Assets in such security deposit are required to be maintained in a fair value amount at least equal to the outstanding principal. At December 31, 2011 assets having an admitted value of$8,300,000 and a market value of $8,368,943 were on deposit with the lender.

Note 12 - Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Postretirement Benefit Plan

A. Defined Benefit Plans

The Company sponsors a non-contributory defined benefit pension plan covering all of its employees and those of its wholly owned subsidiary. The benefits are based on the years of service and employees' average annual compensation as defined in the plan document.

The measurement date used to determine pension benefit measures for the defined benefit pension plan is December 31.

The Company's funding policy is to contribute annually the minimum funding requirement under the Employee Retirement Income Security Act of 1974 and related regulations. For year 2011 and 2010 the actuarial valuation indicated a minimum employer contribution requirement of $1,600,000 and $1,172,000 respectively. Each year the Company charges as pension expense the amount funded during the year and the plan is funded in accordance with ERISA requirements subject to management's discretion and IRS minimum and maximum limitations.

Accumulated plan benefit information and net assets of the plan available for benefits covering the employees of the Company and its subsidiary estimated by consulting actuaries at December 31, 2011, latest actuarial update, were as follows:

Vested	$18,740,078
Non-Vested	$758,896
Assets at market value available for benefits	$15,536,763

The discount rate assumed rate of return used to determine the actuarial present value of the accumulated plan benefits was 5.50%. The actuarial cost method used to calculate the pension contribution was the aggregate cost method. Plan assets consist mainly of investments in U.S. Government securities, mutual funds and cash.
The folllowing sets forth the plan's benefit obligation, nonvested pension benefit obligation, fair value of plan assets, funded status and prepaid benefit cost at December 31, 2011 and 2010:

	2011	2010
Change in benefit obligation:		
Projected benefit obligation at beginning of year	$20,584,718	17,456,904
Service cost	805,638	686,961
Interest cost	1,181,444	1,037,034
Benefit payments	(331,790)	(172,866)
Actuarial loss	1,030,591	1,576,685
Projected benefit obligation at end of year	$23,270,601	20,584,718
Accumulated benefit obligation at end of year	$19,498,974	15,907,228

The following sets forth the plan's benefit obligation, fair value of plan assets, funded status, and prepaid benefit cost at December 31, 2011 and 2010:

	2011	2010
Projected benefit obligation at December 31	$23,270,601	$20,584,718
Fair value of plan assets at December 31	15,536,763	113,303,960
Unfunded Status	$ 7,733,838	7,280,758
Prepaid benefit cost recognized in the statutory statemetns of admitted assets, liabilities, and capital and surplus	$698,574	$657,997

Weighted average assumptions used to determine benefit obligation and net cost at December 31, 2011 and 2010 were as follows:

	2011	2010
Discount rate	5.50%	5.80%
Expected return on plan assets	6.50%	6.50%
Rate of compensation increase	4.00%	4.00%
Reconciliation of funded status	$7,733,838	7,280,758
Unrecognized prior service cost	(218,660)	(245,993)
Unrecognized actuarial loss	(8,213,752)	(7,962,762)
Prepaid benefit cost	$698,574	$657,997

The components of net periodic benefits cost for the years ended December 31, 2011 and 2010 are as follows:

	2011	2010
Service cost	$805,638	6 86,961
interest cost	1,181,444	1,037,034
Expected return on assets	(902,783)	(769,494)
Amortization of transition obligation	27,333	27,333
Amortization of actuarial loss	447,791	376,639
Net periodic benefits cost	$1,559,423	1,358,473

Plan Assets

The following table present assets and liabilities that are measured at fair value on a recurring basis at December 31, 2011 and 2010:

		Fair Value measurements at December 31, 2011		
	Total	Quoted price in active markets for identical assets (Level 1)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
Asset category:				
Cash	$ 1,452,045	$ 1,452,045	$ -	-
Mutual Funds	$ 2,010,506	$ 2,010,506	$ -	-
Fixed Income securities:				
U.S. governments bon	$ 4,425,153	$ -	$ 4,425,153	-
Corporate bonds	$ 483,450	$ -	$ 483,450	-
Minicipal Bonds	$ 4,056,005	$ -	$ 4,056,005	-
Asset-backed securitie	$ 3,069,463	$ -	$ 3,069,463	-
Certificate of deposits	$ -	$ -	$ -	-
Total	$ 15,496,622	$ 3,462,551	$ 12,034,071	$ -

NOTES TO FINANCIAL STATEMENTS

		Fair Value measurements at December 31, 2010		
	Total	Quoted price in active markets for identical assets (Level 1)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
Asset category:				
Cash	$ 757,247	$ 757,247	$ -	-
Mutual Funds	$ 2,545,772	$ 2,545,772	$ -	-
Fixed Income securities:				
U.S. governments bon	$ 5,199,860	$ -	$ 5,199,860	-
Corporate bonds	$ 485,150	$ -	$ 485,150	-
Minicipal Bonds	$ 1,718,537	$ -	$ 1,718,537	-
Asset-backed securitie	$ 2,563,585	$ -	$ 2,563,585	-
Certificate of deposits	$ -	$ -	$ -	-
Total	$ 13,270,151	$ 3,303,019	$ 9,967,132	$ -

The asset allocations of the Company's pension benefits as of the December 31, 2011 and 2010 measurement dates were as follows:

Asset category:	
Debt securities	74.0%
Mutual funds	13.0%
Cash and cash equivalents	13.0%
	100%

The Company's investment policies and strategies for the pension benefits plan do not use target allocations for the individual asset categories. The Company's investment goals are to maximize returns subject to specific risk management policies. Its risk management policies permit investments in mutual funds and prohibit direct investments in corporate debt and equity securities and derivative financial instruments. The Company addresses diversification by the use of mutual fund investments whose underlying investments are in domestic and international fixed income securities and domestic and international equity securities. These mutual funds are readily marketable and can be sold to fund benefit payment obligations as they become payable.

The Company expectes to contribute $1,600,000 to its pension plan in 2012.

The benefits expected to be paid by the pension plan are by follows:

Year ending December 31:

2012	758,061
2013	1,042,568
2014	1,034,112
2015	1,086,987
2016	1,087,838
2017-2021	6,963,436

The expected benefits are based on the same assumptions used to measure the Company's benefits obligation at December 31, 2011 and include estimated future employee service.

B. Defined Contribution Plans

Real Legacy Assurance Company employees are covered by a qualified defined contribution plan sponsored by the Company. Each plan participant can make contributions to the plan up to an amount not exceeding the maximum deferral amount specified by local law. The Company contributes 25% of the participant's contribution not to exceed 4% of the participant's compensation. The Company's contribution for the plan was $83,530 and $40,779 in 2011 and 2010 respectively. At December 31, 2011 the fair value of plan assets was $2,248,681.

C. Multi-employer Plans

Not applicable

D. Consolidated/Holding Company Plans

Not applicable

E. Post-employment Benefits and Compensated Absences

The Company has no obligations to current or former employees for benefits after their employment but before their retirement other than for compensation related to earned vacations. The liability for earned but untaken vacations has been accrued.

F. Impact of Medicare Modernization Act on Postretirement Benefits

Not Applicable.

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

A. Outstanding Shares

The Company has 300,000 shares of $10 par value common stock authorized issued and outstanding. The Company has no preferred stock authorized, issued or outstanding.

B. The Company has no preferred stock outstanding.

C. Dividend Restrictions

Dividends on common stock are paid as declared by the Board of Directors of the Company. Under applicable Puerto Rico insurance laws and regulations, the Company was required to maintain minimum capital stock of $1,000,000 up to December 31, 2003. However, during 2004 the Office of the Commissioner of Insurance issued a new ruling increasing the required capital to $3,000,000 and giving insurance companies five years to comply with this new requirement . At December 31, 2008 the Company completed compliance with this new requirement. In addition, such laws and regulations require minimum capital of at least one third of net premiums written. The payment of dividends is limited to unassigned surplus reported using statutory accounting principles.

Under local government regulations, the Company is required to establish a reserve for insurance written subject to catastrophic losses. The amount needed to comply with the catastrophe reserve requirement is based on the net direct catastrophe insurance premiums written in Puerto Rico. The Commissioner of Insurance of Puerto Rico will determine each year the percentage of contribution required. For 2011 and 2010 this was 1.0% of the direct catastrophe premiums written subject to the reserve.

In addition, in August 1994, the Commissioner of Insurance issued a rule which limited the additions to the reserve if the rate of the catastrophe reserve over the balance of capital and unassigned surplus is greater than the ratio of net direct catastrophe premiums over total premiums for the year. During 2006 a change to this requirement was made allowing insurers to increase the catastrophe reserve until it reaches an amount equal to 2% of its probable maximum loss (PML). If this reserve exceeds this figure, then the Company could be able to withdraw any excess after a written request to the Commissioner of Insurance. During 2008 the Commissioner of Insurance of Puerto Rico adopted a new Rule 72 requiring insurers to present as a liability in its financial statements and, over a period of five years, a minimum retention equivalent to 2% of the Company's probable maximum loss. For years commencing after December 31, 2009 this reclassification is no longer required. As a result of this change, during 2010 there is a reduction of $3,389,078 in liabilities and a corresponding increase in "aggregate write-ins for special surplus funds".

Changes in Special Surplus Funds

During 2011, Special Surplus Funds increased by $1,388,776 as a result of interest earned on securities during the year.

Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:

Description	**Cumulative Increase (Decrease) in Surplus**	**Current Year increase (Decrease) in surplus**
1. Subsidiary equity charge	(4,826,723)	(460,199)
2. Nonadmitted assets	($5,184,619)	204,018
3. Provision for reinsurance	(212,200)	
Total decrease	($10,223,541)	$(256,181)

NOTES TO FINANCIAL STATEMENTS

Surplus Notes

Not applicable

Quasi Reorganizations

Not applicable

Note 14 - Contingencies

A. Contingent Commitments

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

B. Assessments

The Company is subject to guaranty fund and other assessments. Guaranty fund assessments should be accrued at the time of insolvencies. Other assessments should be accrued either at the time of assessments or in the case of premium based assessments, at the time the premiums were written.

For this year there was no guaranty fund assessment declared by the Puerto Rico Guaranty Fund Assessment Association. These represent management's best estimates based on information available from the P. R. Guaranty Insurance Association and may change due to many factors including the Company's share of the ultimate cost of current insolvencies.There is also a premium tax expense of $758,415 related to our business operations in the US Virgin Islands.

Pursuant to Article 12 of Rule LXIX of the Insurance Code, the Company participates in the Compulsory Vehicle Liability Insurance Joint Underwriting Association. The Association was organized during 1997 to subscribe insurance coverage of motor vehicles property damage liability risk commencing on January 1, 1998. As a participant, the Company shares the risk proportionately with other participants, based on a formula established by the Insurance Code. During 2011 and 2010, the company credited operations by approximatey $410,000 and 429,000, respectively, for experience refunds received from the Association.
The Company is subject to various claims and lawsuits in the ordinary course of business, primarily relating to insurance policy claims. While the outcome of these lawsuits cannot be predicted, management is of the opinion, based on the advice of our legal counsel, that the Company's liability from these lawsuits, if any, will not have a material adverse effect upon the Company's financial position.

C. Gain contingencies
Not Applicable

D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits
Not Applicable

E. All Other Contingencies

The Company is a member of Syndicate for the Joint Underwriting of Medical-Hospital Professional Liability Insurance ("SIMED"). SIMED was created for the purpose of underwriting medical-hospital professional liability insurance. As a member, the Company shares risks with other member companies and, accordingly, is contingently liable in the event SIMED cannot meet its obligations. During 2010 and 2009 no assessments or payments were incurred for this contingency.

The Company is a member of the Puerto Rico Property Casualty Insurance Guaranty Associationn. As a member,the company is required to provide funds to pay losses and reimbursements of unearned premiums of insolvent insurers. During 2011 and 2010, there was no assessment levied to guarantee the payment of the losses or reimbursement of unearned premium reserve.

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

A. Lessee Leasing Arrangements

The Company has a non-cancellable five year lease agreement for office facilities which includes escalation clauses which provide for increased rentals based on increases in taxes and other costs. Rent expense, net of rental income from an affiliate, amounted to $877,432 and $827,704 for 2011 and 2010, respectively. Total rental income for 2011 and 2010 was $290,447 and $280,361 respectively. Approximate future minimum lease payments under non-cancellable operating leases are as follows:

Year	Future Minimum Lease Payments
2012	$625,528
2013	625,528

Note 16 - Information About Financial Instrument with Off-Balance Sheet Risk and With concentrations of Credit Risk

A. Financial Instruments with Off-Balance Sheet Risk

Not applicable

B. Financial Instrument with Concentrations of Credit Risk

Not applicable

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

A. Transfers of Receivables Reported as Sales

NOTES TO FINANCIAL STATEMENTS

Not applicable

B. Transfers and Servicing of Financial Assets

Not applicable

C. Wash Sales

Not applicable

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

A. Administrative Services Only (ASO) Plans

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 Premiums Written/Produced by Managing General Agents/ Third party Administrator

Authority	Name	FEI Number	Premium Written
B,U,P	Overseas Insurance Agency	66-0442203	$ 50,895,288
B,U,P	Arieta & Son	66-0593805	25,033,725
B,U,P	Eastern America Insurance	66-0388334	15,879,189
B,U,P	Colonial Insurance	66-0381156	10,793,984
B,U,P	Global Insurance	66-0356202	3,540,661
B,U,P	Popular Insurance	66-0542973	3,368,897

Note 20- Fair Value Measurements

(a) Fair value hierarchy

The Company adopted an accounting standard for fair value measurement of financial assets and financial liabilities and for fair values measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. The accounting standard establishes a fair value hierarchy that prioritizes the inputs to evaluation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair values hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for the identical assets or liabilities that the Company has the ability to acces at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The Level in the fair value hierarchy with which a fair value measurement in its entirety falls is based in the lowest level input that is significant to the fair value measurement in its entirety.

The following table presents assets and liabilities that are measured at fair value on a recurring basis at December 31, 2011 and 2010.

NOTES TO FINANCIAL STATEMENTS

December 31, 2011
Fair value measurements at reporting date using

	As reflected on the statutory statement of admitted asstes, liabilities, and capital and surplus as of December 31, 2011	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable (Level 3)
Assets:				
Federal Home Loan Bank Bonds and Notes	58,683,416	-	58,683,416	-
Federal Farm Credit Bank Notes	46,498,618	-	46,498,618	-
Government Bonds of the Commonwealth od Puerto Rico and its Instrumentalities	10,343,577	-	10,343,577	-
	115,525,611	**-**	**115,525,611**	**-**

December 31, 2010
Fair value measurements at reporting date using

	As reflected on the statutory statement of admitted asstes, liabilities, and capital and surplus as of December 31, 2010	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable (Level 3)
Assets:				
Federal Home Loan Bank Bonds and Notes	70,189,271	-	70,189,271	-
Federal Farm Credit Bank Notes	42,952,090	-	42,952,090	-
Government Bonds of the Commonwealth od Puerto Rico and its Instrumentalities	6,099,013	-	6,099,013	-
	119,240,374	**-**	**119,240,374**	**-**

Note 21- Other Items

A. Extraordinary items

Not applicable

B. Troubled Debt Restructuring for Debtors

Not applicable

C. Other Disclosures.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1	Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?	Yes (X) No ( )
1.2	If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?	Yes (X) No ( ) N/A ( )
1.3	State Regulating?	Puerto Rico
2.1	Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?	Yes ( ) No (X)
2.2	If yes, date of change:	....
3.1	State as of what date the latest financial examination of the reporting entity was made or is being made.	12/31/2010
3.2	State the as of date of 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.	12/31/2002
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).	09/30/2005
3.4	By what department or departments? Comissioner of Insurance of Puerto Rico	
3.5	Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?	Yes (X) No ( ) N/A ( )
3.6	Have all of the recommendations within the latest financial examination report been complied with?	Yes (X) No ( ) N/A ( )
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)

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

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 entity, the NAIC company code, and state of domicile for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

6.2 If yes, give full information:
....

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

7.2 If yes,

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

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

1 Nationality	2 Type of Entity

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

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

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

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

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG AMERICAN INTERNATIONA PLAZA
SUITE 1100, 250 MUNOZ RIVERA AVE, HATO REY, PUERT RICO 00918-1819

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

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

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

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

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

10.6 If the response to 10.5 is no or n/a, please explain:
....
....

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
MARTHA A WINSLOW, FCAS, MAAA, SENIOR CONSURLTANT, TOWERS WATSON
8400 NORMANDALE LAKE BLVD SUITE 1700, MN 55437-3837

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

12.11 Name of real estate holding company
....
....

12.12 Number of parcels involved ....

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

12.2 If yes, provide explanation
....
....

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

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

13.2 Does this statement contain all business transacted for the reporting entity through its United States branch on risks wherever located? Yes ( ) No ( )

13.3 Have there been any changes made to any of the trust indentures during the year? Yes ( ) No ( )

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes ( ) No ( ) N/A (X)

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes (X) No ( )
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

14.11 If the response to 14.1 is No, please explain:
....
....

14.2 Has the code of ethics for senior managers been amended? Yes ( ) No (X)

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

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes ( ) No (X)

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

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

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes (X) No ( )

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes (X) No ( )

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

FINANCIAL

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

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

20.11	To directors or other officers	$ ....
20.12	To stockholders not officers	$ ....
20.13	Trustees, supreme or grand (Fraternal only)	$ ....

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

20.21	To directors or other officers	$ ....
20.22	To stockholders not officers	$ ....
20.23	Trustees, supreme or grand (Fraternal only)	$ ....

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

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

21.21	Rented from others	$ ....
21.22	Borrowed from others	$ ....
21.23	Leased from others	$ ....
21.24	Other	$ ....

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes (X) No ( )

22.2 If answer is yes:

22.21	Amount paid as losses or risk adjustment	$ ....
22.22	Amount paid as expenses	$ 361,805
22.23	Other amounts paid	$ ....

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

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 626,978

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

INVESTMENT

24.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.3) Yes (X) No ( )

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

24.3 For the security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 16 where this information is also provided)

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

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

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

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

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

24.9 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes ( ) No ( ) N/A (X)

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.3) Yes ( ) No (X)

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

25.21	Subject to repurchase agreements	$ ....
25.22	Subject to reverse repurchase agreements	$ ....
25.23	Subject to dollar repurchase agreements	$ ....
25.24	Subject to reverse dollar repurchase agreements	$ ....
25.25	Pledged as collateral	$ ....
25.26	Placed under option agreements	$ ....
25.27	Letter stock or securities restricted as to sale	$ ....
25.28	On deposit with state or other regulatory body	$ ....
25.29	Other	$ ....

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

INVESTMENT

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

INVESTMENT

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds, and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III General Examination Considerations, F - Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes (X) No ( )

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

1 Name of Custodian(s)	2 Custodian's Address
SCOTIABANK	SAN JUAN, PUERTO RICO
BANCO POPULAR DE PUERTO RICO	SAN JUAN, PUERTO RICO
CITIBANK	SAN JUAN, PUERTO RICO
Santander Securities	San Juan, Puerto Rico

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

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

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

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

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

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

1 Central Registration Depository Number(s)	2 Name	3 Address

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
INVESTMENT

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

29.2 If yes, complete the following schedule:

1 CUSIP Number	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value

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

1 Name of Mutual Fund (from question 29.2)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

INVESTMENT

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	$ 115,525,611	$ 117,398,212	$ 1,872,601
30.2 Preferred stocks	$	$	$
30.3 Totals	$ 115,525,611	$ 117,398,212	$ 1,872,601

30.4 Describe the sources or methods utilized in determining the fair values:
Prices according to securities valuation office and brokers' statements.

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

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

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

32.1 Have all the filing requirements of the Purposes and Procedures manual of the NAIC Securities Valuation Office been followed? Yes (X) No ( )

32.2 If no, list exceptions:

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES
OTHER

33.1 Amount of payments to Trade Associations, service organizations and statistical or Rating Bureaus, if any? $ 361,805

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

1 Name	2 Amount Paid
INSURANCE SERVICES OFFICES	$ 361,805
	$
	$
	$

34.1 Amount of payments for legal expenses, if any? $ 44,158

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

1 Name	2 Amount Paid
MARIO ARROYO LAW OFFICES	$ 26,970
	$
	$
	$

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

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

1 Name	2 Amount Paid
	$
	$
	$
	$

GENERAL INTERROGATORIES
PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes ( ) No (X)

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

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

1.31 Reason for excluding:

....

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

1.5 Indicate total incurred claims on all Medicare Supplement insurance. $ ....

1.6 Individual policies:

Most current three years:

1.61 Total premium earned	$ ....
1.62 Total incurred claims	$ ....
1.63 Number of covered lives	....

All years prior to most current three years:

1.64 Total premium earned	$ ....
1.65 Total incurred claims	$ ....
1.66 Number of covered lives	....

1.7 Group policies:

Most current three years:

1.71 Total premium earned	$ ....
1.72 Total incurred claims	$ ....
1.73 Number of covered lives	....

All years prior to most current three years:

1.74 Total premium earned	$ ....
1.75 Total incurred claims	$ ....
1.76 Number of covered lives	....

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator	$	$ ....
2.2 Premium Denominator	$	$ ....
2.3 Premium Ratio (Line 2.1/Line 2.2)	....	....
2.4 Reserve Numerator	$	$ ....
2.5 Reserve Denominator	$	$ ....
2.6 Reserve Ratio (Line 2.4/Line 2.5)	....	....

3.1 Does the reporting entity issue both participating and non-participating policies? Yes ( ) No (X)

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

3.21 Participating policies	$ ....
3.22 Non-participating policies	$ ....

4. For Mutual reporting entities and Reciprocal Exchange only:

4.1 Does the reporting entity issue assessable policies? Yes ( ) No (X)

4.2 Does the reporting entity issue non-assessable policies? Yes ( ) No (X)

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

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

5. For Reciprocal Exchanges only:

5.1 Does the exchange appoint local agents? Yes ( ) No (X)

5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation	Yes ( ) No ( ) N/A (X)
5.22 As a direct expense of the exchange	Yes ( ) No ( ) N/A (X)

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

....

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes ( ) No (X)

5.5 If yes, give full information.

....

GENERAL INTERROGATORIES
PART 2 - PROPERTY AND 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?

We do not write workers' compensation.

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:

Modeling is provided by Risk Management Solutions. Software used is Risklink version 9
Perils- Hurricane and earthquake.

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 a catastrophe reinsurance program divided into five layers with
coverage up to $620 millions. There is also a 13.5% natural catastrophe quota share.

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

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

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

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

7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes ( ) No (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 this risk, or portion thereof, reinsured? Yes ( ) No (X)

8.2 If yes, give full information.

9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
(c) Aggregate stop loss reinsurance coverage;
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. Yes ( ) No (X)

9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of the prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes ( ) No (X)

9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4 Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes ( ) No (X)

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

9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
(a) The entity does not utilize reinsurance; or, Yes ( ) No (X)
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or, Yes ( ) No (X)
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes ( ) No (X)

GENERAL INTERROGATORIES
PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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 reporting entity would have been required to charge had it retained the risks. Has this been done? Yes ( ) No ( ) N/A (X)

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.

....

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

12.11 Unpaid losses $ ....

12.12 Unpaid underwriting expenses (including loss adjustment expenses) $ ....

12.2 Of the amount on Line 15.3 of the asset schedule, 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 ( ) N/A (X)

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

12.41 From ....%

12.42 To ....%

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

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

12.61 Letters of credit $ ....

12.62 Collateral and other funds $ ....

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): $ 1,000,000

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

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

14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes ( ) No (X)

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

....

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

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

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

....

15.1 Has the reporting entity guaranteed any financed premium accounts? Yes ( ) No (X)

15.2 If yes, give full information.

....

GENERAL INTERROGATORIES
PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

16.1 Does the reporting entity write any warranty business? Yes ( ) No (X)

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

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

* Disclose type of coverage:
....
....

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that it excludes from Schedule F - Part 5? Yes (X) No ( )

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

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

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

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

18.1 Do you act as a custodian for health savings accounts? Yes ( ) No (X)

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

18.3 Do you act as an administrator for health savings accounts? Yes ( ) No (X)

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

FIVE-YEAR HISTORICAL DATA

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

	1 2011	2 2010	3 2009	4 2008	5 2007
Gross Premiums Written (Page 8, Part 1B, Columns 1, 2 and 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 and 19.3, 19.4)	11,536,693	10,972,409	10,812,085	11,370,045	11,866,679
2. Property lines (Lines 1, 2, 9, 12, 21 and 26)	62,155,498	62,059,459	61,240,201	51,930,079	60,925,091
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)	46,198,012	46,061,532	49,313,472	56,407,239	60,390,570
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 and 34)	199,508	184,061	347,909	267,866	300,749
5. Nonproportional reinsurance lines (Lines 31, 32 and 33)					
6. Total (Line 35)	120,089,711	119,277,461	121,713,667	119,975,229	133,483,089
Net Premiums Written (Page 8, Part 1B, Column 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 and 19.3, 19.4)	6,768,845	6,212,500	6,669,811	7,065,323	7,620,666
8. Property lines (Lines 1, 2, 9, 12, 21 and 26)	16,821,805	12,375,664	10,729,563	9,475,508	16,429,660
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)	23,269,261	15,614,983	15,792,744	22,200,912	20,899,457
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 and 34)	93,610	69,479	105,729	75,484	92,300
11. Nonproportional reinsurance lines (Line 31, 32 and 33)					
12. Total (Line 35)	46,953,521	34,272,626	33,297,847	38,817,227	45,042,083
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(1,718,744)	1,570,647	(2,561,561)	2,874,672	3,806,899
14. Net investment gain (loss) (Line 11)	3,745,266	3,954,721	4,602,390	4,671,611	4,653,900
15. Total other income (Line 15)					
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)	(236,976)		(571,343)	712,638	1,534,459
18. Net income (Line 20)	2,263,498	5,525,368	2,612,172	6,833,645	6,926,340
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Column 3)	154,187,315	152,646,853	153,757,935	153,199,485	143,457,079
20. Premiums and considerations (Page 2, Column 3)					
20.1 In course of collection (Line 15.1)	16,634,351	15,535,541	15,209,329	18,441,504	21,508,257
20.2 Deferred and not yet due (Line 15.2)					
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	86,804,572	85,612,624	94,518,437	93,698,837	87,416,726
22. Losses (Page 3, Line 1)	22,527,814	21,697,912	28,021,388	25,377,723	26,424,649
23. Loss adjustment expenses (Page 3, Line 3)	4,827,430	4,891,835	5,904,293	5,601,789	5,431,865
24. Unearned premiums (Page 3, Line 9)	45,838,768	41,997,751	42,148,125	47,662,415	52,400,520
25. Capital paid up (Page 3, Line 30 and Line 31)	3,000,000	3,000,000	3,000,000	3,000,000	2,600,000
26. Surplus as regards policyholders (Page 3, Line 37)	67,382,743	67,034,229	59,239,498	59,325,621	56,040,353
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	(3,268,975)	276,990	(672,640)	5,371,433	466,491
Risk-Based Capital Analysis					
28. Total adjusted capital	67,382,743	67,034,229	59,239,498	59,325,621	56,040,353
29. Authorized control level risk-based capital	6,420,054	5,867,454	7,014,271	6,913,506	6,509,702
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3) (Item divided by Page 2, Line 12, Column 3) x 100.0					
30. Bonds (Line 1)	95.6	90.6	89.5	87.2	86.7
31. Stocks (Line 2.1 and Line 2.2)	(2.3)				
32. Mortgage loans on real estate (Line 3.1 and Line 3.2)					
33. Real estate (Lines 4.1, 4.2 and 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	6.7	9.4	10.5	12.8	13.3
35. Contact loans (Line 6)					
36. Derivatives (Line 7)			XXX	XXX	XXX
37. Other invested assets (Line 8)					
38. Receivables for securities (Line 9)					
39. Securities lending reinvested collateral assets (Line 10)			XXX	XXX	XXX
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Schedule D, Summary, Line 12, Column 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Column 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Column 1	(2,814,278)	(2,488,102)	1,878,422	1,878,422	1,878,422
45. Affiliated short-term investments (Schedule DA Verification, Column 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above Line 42 through Line 47	(2,814,278)	(2,488,102)	1,878,422	1,878,422	1,878,422
49. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Column 1, Line 37 x 100.0)	(4.2)	(3.7)	3.2	3.2	3.4

FIVE-YEAR HISTORICAL DATA

(Continued)

		1 2011	2 2010	3 2009	4 2008	5 2007
	Capital and Surplus Accounts (Page 4)					
50.	Net unrealized capital gains (losses) (Line 24)	(326,176)	(521,956)	(3,844,568)		
51.	Dividends to stockholders (Line 35)					
52.	Change in surplus as regards policyholders for the year (Line 38)	348,514	7,794,731	(86,123)	3,285,268	7,617,882
	Gross Losses Paid (Page 9, Part 2, Columns 1 and 2)					
53.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 and 19.3, 19.4)	5,892,452	5,139,887	5,805,498	4,949,037	5,397,803
54.	Property lines (Lines 1, 2, 9, 12, 21 and 26)	6,202,338	5,721,454	5,566,333	5,080,964	55,026,559
55.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)	8,556,709	11,483,300	8,130,580	10,113,137	8,112,852
56.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 and 34)	25,000	45,000		109,475	(2,839)
57.	Nonproportional reinsurance lines (Lines 31, 32, and 33)					
58.	Total (Line 35)	20,676,499	22,389,641	19,502,411	20,252,613	68,534,375
	Net Losses Paid (Page 9, Part 2, Column 4)					
59.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 and 19.3, 19.4)	3,419,040	2,989,880	2,578,879	2,947,692	3,163,607
60.	Property lines (Lines 1, 2, 9, 12, 21 and 26)	4,408,596	3,394,074	3,424,523	3,273,360	4,156,196
61.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)	6,045,806	8,254,433	6,615,689	8,079,652	6,929,972
62.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 and 34)	24,946	11,260		109,122	(2,904)
63.	Nonproportional reinsurance lines (Lines 31, 32, and 33)					
64.	Total (Line 35)	13,898,388	14,649,647	12,619,091	14,409,826	14,246,871
	Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
65.	Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
66.	Losses incurred (Line 2)	34.2	24.2	39.3	30.7	29.2
67.	Loss expenses incurred (Line 3)	13.3	13.7	14.4	12.8	12.9
68.	Other underwriting expenses incurred (Line 4)	56.6	57.6	52.9	50.0	49.5
69.	Net underwriting gain (loss) (Line 8)	(4.0)	4.6	(6.6)	6.6	8.4
	Other Percentages					
70.	Other underwriting expenses to net premiums written (Page 4, Line 4 plus Line 5 minus Line 15 divided by Page 8, Part 1B, Column 6, Line 35 x 100.0)	51.9	57.8	61.6	56.1	49.6
71.	Losses and loss expenses incurred to premiums earned (Page 4, Line 2 plus Line 3 divided by Page 4, Line 1 x 100.0)	47.4	37.8	53.7	43.4	42.1
72.	Net premiums written to policyholders' surplus (Page 8, Part 1B, Column 6, Line 35 divided by Page 3, Line 37, Column 1 x 100.0)	69.7	51.1	56.2	65.2	80.4
	One Year Loss Development (000 omitted)					
73.	Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Column 11)	2,128	(4,874)	(936)	633	(1,125)
74.	Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 73 above divided by Page 4, Line 21, Column 1 x 100.0)	3.2	(8.2)	(1.6)	1.1	(2.3)
	Two Year Loss Development (000 omitted)					
75.	Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Column 12)	(2,918)	(3,439)	(1,496)	(1,643)	(3,111)
76.	Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 75 above divided by Page 4, Line 21, Column 2 x 100.0)	(4.9)	(5.8)	(2.7)	(3.4)	(6.3)

Note: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes ( ) No ( )
If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

($000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	
	Direct and Assumed	Ceded	Net (Columns 1 - 2)	4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid (Columns 4 - 5 + 6 - 7 + 8 - 9)	Number of Claims Reported - Direct and Assumed
1. Prior	XXX	XXX	XXX	33	21	111	22				101	XXX
2. 2002	129,515	91,389	38,126	20,616	7,767	2,721	829	2,204			16,945	XXX
3. 2003	128,401	89,461	38,940	20,151	7,625	2,711	608	1,951			16,580	XXX
4. 2004	117,023	90,434	26,589	25,935	11,717	3,767	942	1,880			18,923	XXX
5. 2005	120,416	88,778	31,638	19,235	6,759	3,038	421	1,636			16,729	XXX
6. 2006	128,098	88,017	40,081	67,413	54,471	4,413	1,505	2,157			18,007	XXX
7. 2007	132,797	87,615	45,182	18,182	5,485	3,344	541	1,604			17,104	XXX
8. 2008	127,003	83,448	43,555	17,477	5,899	2,810	410	1,577			15,555	XXX
9. 2009	124,722	85,908	38,814	17,751	5,678	2,314	358	1,503			15,532	XXX
10. 2010	118,209	83,786	34,423	15,809	6,196	1,978	589	1,419			12,421	XXX
11. 2011	120,116	77,004	43,112	9,833	2,571	640	66	1,248			9,084	XXX
12. Totals	XXX	XXX	XXX	232,435	114,189	27,847	6,291	17,179			156,981	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding - Direct & Assumed
1.	1,126	598	578	61	71	54			93			1,155	XXX
2.	10		6		4				1			21	XXX
3.	150	5	41		3	1			12			200	XXX
4.	201	6	61		5				17			278	XXX
5.	288	3	121	4	49	1			23			473	XXX
6.	4,646	3,289	502	73	282	226			381			2,223	XXX
7.	1,852	357	625	38	127	5			152			2,356	XXX
8.	1,543	90	579	14	140	7			128			2,279	XXX
9.	4,521	2,643	1,631	201	416	189			372			3,907	XXX
10.	6,808	3,613	1,361	317	582	184			558			5,195	XXX
11.	10,549	5,400	2,338	298	1,470	256			864			9,267	XXX
12.	31,694	16,004	7,843	1,006	3,149	923			2,601			27,354	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense	Inter - Company Pooling Participation Percentage	35 Losses Unpaid	36 Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX			XXX	1,045	110
2.	25,562	8,596	16,966	19.7	9.4	44.5				16	5
3.	25,019	8,239	16,780	19.5	9.2	43.1				186	14
4.	31,866	12,665	19,201	27.2	14.0	72.2				256	22
5.	24,390	7,188	17,202	20.3	8.1	54.4				402	71
6.	79,794	59,564	20,230	62.3	67.7	50.5				1,786	437
7.	25,886	6,426	19,460	19.5	7.3	43.1				2,082	274
8.	24,254	6,420	17,834	19.1	7.7	40.9				2,018	261
9.	28,508	9,069	19,439	22.9	10.6	50.1				3,308	599
10.	28,515	10,899	17,616	24.1	13.0	51.2				4,239	956
11.	26,942	8,591	18,351	22.4	11.2	42.6				7,189	2,078
12.	XXX	XXX	XXX	XXX	XXX	XXX			XXX	22,527	4,827

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)										DEVELOPMENT	
	1 2002	2 2003	3 2004	4 2005	5 2006	6 2007	7 2008	8 2009	9 2010	10 2011	11 One Year	12 Two Year
1. Prior										1,162	1,162	1,162
2. 2002	18,494	18,277	16,606	15,816	14,803	14,997	14,691	14,632	14,758	14,761	3	129
3. 2003	XXX	17,208	17,507	16,787	15,839	14,938	14,904	14,587	14,774	14,817	43	230
4. 2004	XXX	XXX	20,181	19,254	19,182	19,047	18,219	17,746	17,219	17,304	85	(442)
5. 2005	XXX	XXX	XXX	16,183	15,821	16,187	15,922	15,745	15,375	15,543	168	(202)
6. 2006	XXX	XXX	XXX	XXX	18,702	18,080	18,851	17,964	17,591	17,692	101	(272)
7. 2007	XXX	XXX	XXX	XXX	XXX	17,550	18,563	18,341	17,251	17,704	453	(637)
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX	15,979	17,143	15,765	16,129	364	(1,014)
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	19,436	16,992	17,564	572	(1,872)
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	16,462	15,639	(823)	XXX
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	16,239	XXX	XXX
										12. Totals	2,128	(2,918)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)										11	12
	1 2002	2 2003	3 2004	4 2005	5 2006	6 2007	7 2008	8 2009	9 2010	10 2011	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
1. Prior	000									101	XXX	XXX
2. 2002	5,989	9,799	11,859	13,128	13,502	14,071	14,305	14,288	14,542	14,741	XXX	XXX
3. 2003	XXX	6,235	10,312	11,698	12,978	13,502	14,052	14,305	14,535	14,629	XXX	XXX
4. 2004	XXX	XXX	6,535	11,646	14,129	15,289	16,222	16,657	17,016	17,043	XXX	XXX
5. 2005	XXX	XXX	XXX	7,027	10,099	12,241	13,727	14,477	14,921	15,093	XXX	XXX
6. 2006	XXX	XXX	XXX	XXX	6,880	11,892	13,628	14,585	15,137	15,850	XXX	XXX
7. 2007	XXX	XXX	XXX	XXX	XXX	6,798	11,474	13,347	14,504	15,500	XXX	XXX
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX	7,077	11,017	12,778	13,978	XXX	XXX
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,698	12,378	14,029	XXX	XXX
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,944	11,002	XXX	XXX
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,836	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)									
	1 2002	2 2003	3 2004	4 2005	5 2006	6 2007	7 2008	8 2009	9 2010	10 2011
1. Prior										517
2. 2002	5,920	4,397	1,438	883	191	157				6
3. 2003	XXX	3,073	2,920	1,652	883	74	350			41
4. 2004	XXX	XXX	4,821	1,812	1,594	1,425	802	197		61
5. 2005	XXX	XXX	XXX	3,768	1,890	1,292	839	419	5	117
6. 2006	XXX	XXX	XXX	XXX	4,872	1,939	2,008	1,073	571	429
7. 2007	XXX	XXX	XXX	XXX	XXX	3,835	2,754	1,829	540	587
8. 2008	XXX	XXX	XXX	XXX	XXX	XXX	3,182	2,178	617	565
9. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,744	1,429	1,430
10. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,683	1,044
11. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,040

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

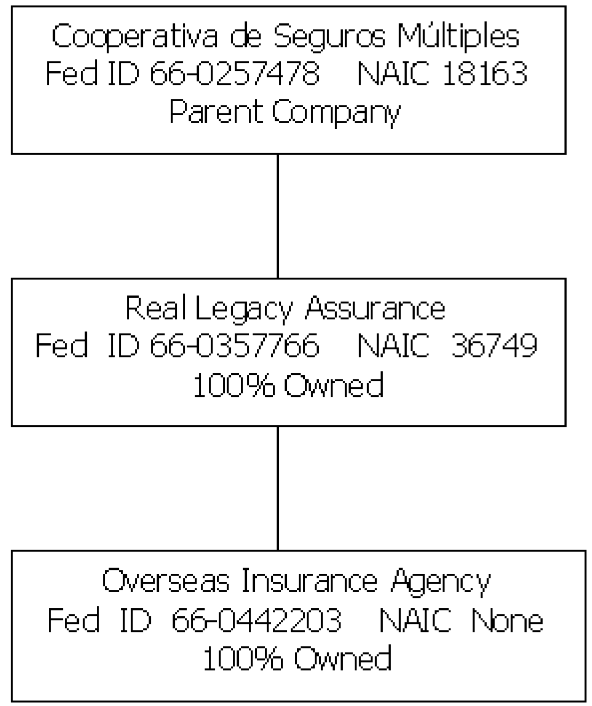
States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken 2 Direct Premiums Written	3 Direct Premiums Earned	4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Column 2)
1. Alabama AL	N								
2. Alaska AK	N								
3. Arizona AZ	N								
4. Arkansas AR	N								
5. California CA	N								
6. Colorado CO	N								
7. Connecticut CT	N								
8. Delaware DE	N								
9. Dist. Columbia DC	N								
10. Florida FL	N								
11. Georgia GA	N								
12. Hawaii HI	N								
13. Idaho ID	N								
14. Illinois IL	N								
15. Indiana IN	N								
16. Iowa IA	N								
17. Kansas KS	N								
18. Kentucky KY	N								
19. Louisiana LA	N								
20. Maine ME	N								
21. Maryland MD	N								
22. Massachusetts MA	N								
23. Michigan MI	N								
24. Minnesota MN	N								
25. Mississippi MS	N								
26. Missouri MO	N								
27. Montana MT	N								
28. Nebraska NE	N								
29. Nevada NV	N								
30. New Hampshire NH	N								
31. New Jersey NJ	N								
32. New Mexico NM	N								
33. New York NY	N								
34. North Carolina NC	N								
35. North Dakota ND	N								
36. Ohio OH	N								
37. Oklahoma OK	N								
38. Oregon OR	N								
39. Pennsylvania PA	N								
40. Rhode Island RI	N								
41. South Carolina SC	N								
42. South Dakota SD	N								
43. Tennessee TN	N								
44. Texas TX	N								
45. Utah UT	N								
46. Vermont VT	N								
47. Virginia VA	N								
48. Washington WA	N								
49. West Virginia WV	N								
50. Wisconsin WI	N								
51. Wyoming WY	N								
52. American Samoa AS	N								
53. Guam GU	N								
54. Puerto Rico PR	L	102,119,366	102,835,942		18,553,305	23,257,009	35,048,434		
55. U.S. Virgin Islands VI	L	15,556,914	15,385,915		746,457	305,721	261,850		
56. Northern Mariana Islands MP	N								
57. Canada CN	N								
58. Aggregate other alien OT	XXX	2,413,431	1,894,187		1,376,737	4,657,731	4,227,751		
59. Totals	(a) 2	120,089,711	120,116,044		20,676,499	28,220,461	39,538,035		
DETAILS OF WRITE-INS									
5801. BVI	XXX	2,413,431	1,894,187		1,376,737	4,657,731	4,227,751		
5802.	XXX								
5803.	XXX								
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX								
5899. Totals (Line 5801 through Line 5803 plus Line 5898) (Line 58 above)	XXX	2,413,431	1,894,187		1,376,737	4,657,731	4,227,751		

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

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

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

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



Property and Casualty
Annual Statement Blank Alphabetical Index

Property and Casualty
Annual Statement Blank Alphabetical Index (cont.)