UNITED STATES FIDELITY AND GUARANTY COMPANY

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ANNUAL STATEMENT

For the Year Ended December 31, 2009

OF THE CONDITION AND AFFAIRS OF THE

UNITED STATES FIDELITY AND GUARANTY COMPANY *

NAIC Group Code 3548 (Current Period) 3548 (Prior Period) NAIC Company Code 25887 Employer's ID Number 52-0515280

Organized under the Laws of Connecticut, State of Domicile or Port of Entry Connecticut, Country of Domicile US

INCORPORATED/ORGANIZED, MARCH 19, 1896 COMMENCED BUSINESS, AUGUST 1, 1896

Statutory Home Office: **One Tower Square, Hartford, CT 06183**
Main Administrative Office: **One Tower Square, Hartford, CT 06183 (860) 277-0111**
Mail Address: **One Tower Square, Hartford, CT 06183**
Primary Location of Books and Records: **385 Washington Street, St. Paul, MN 55102 (651) 310-7911**
Internet Website Address: **www.travelers.com**
Statutory Statement Contact: **Michael J. Doody (860) 277-3966**
Annual.Statement.Contact@travelers.com (860) 277-7002
(E-Mail Address) (Fax Number)

OFFICERS

Name	Title	Name	Title
1. BRIAN WILLIAM MacLEAN	Chairman of the Board, President & Chief Executive Officer	SAMUEL GERSTEN LISS	Executive Vice President, Strategic Development
2. JAY STEVEN BENET	Vice Chairman & Chief Financial Officer	# MARIA OLIVO	Executive Vice President & Treasurer
3. CHARLES JOSEPH CLARKE	Vice Chairman	DOREEN SPADORCIA	Executive Vice President, Claim
4. WILLIAM HERBERT HEYMAN	Vice Chairman & Chief Investment Officer	KENNETH FRANKLIN SPENCE, III	Executive Vice President & General Counsel
5. ALAN DAVID SCHNITZER	Vice Chairman & Chief Legal Officer	# GREGORY CHESHIRE TOCZYDLOWSKI	Executive Vice President, Personal Insurance
6. JOHN JOSEPH ALBANO	Executive Vice President, Business Insurance	DOUGLAS KEITH BELL	Senior Vice President, Accounting Standards
7. ANDY FRANCIS BESSETTE	Executive Vice President & Chief Administrative Officer	# DOUGLAS KENNETH RUSSELL	Senior Vice President & Corporate Controller
8. WILLIAM ALLEN BLOOM	Executive Vice President, Insurance Operations & Information Technology & Chief Information Officer	# SCOTT WILLIAM RYNDA	Senior Vice President, Corporate Tax
9. JOHN PATRICK CLIFFORD, JR.	Executive Vice President, Human Resources	WENDY CONSTANCE SKJERVEN	Associate Group General Counsel, Corporate & Corporate Secretary
10. WILLIAM PATRICK HANNON	Executive Vice President, Enterprise Risk Management & Business Conduct Officer	SMITESH DAVÉ	Vice President & Chief Corporate Actuary

DIRECTORS

JOHN JOSEPH ALBANO	WILLIAM HERBERT HEYMAN	DOREEN SPADORCIA
JAY STEVEN BENET	MICHAEL FREDERICK KLEIN	KENNETH FRANKLIN SPENCE, III
ANDY FRANCIS BESSETTE	BRIAN WILLIAM MacLEAN	# GREGORY CHESHIRE TOCZYDLOWSKI

* Domicile changed to Connecticut, effective December 15, 2009

STATE OF CONNECTICUT
COUNTY OF HARTFORD } 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.

Brian W. MacLean	Wendy C. Skjerven	Douglas K. Russell
President	Secretary	Controller

Subscribed and sworn to before me this

26th day of January, 2010

Notary Public

My Commission Expires September 30, 2012

SANDRA M. BACHMAN NOTARY PUBLIC CONNECTICUT

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

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	3,747,278,465	0	3,747,278,465	3,574,724,244
2. Stocks (Schedule D):				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	339,929,784	10,809,994	329,119,790	174,812,954
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $.....0 encumbrances)	0	0	0	0
4.2 Properties held for the production of income (less $.....0 encumbrances)	0	0	0	0
4.3 Properties held for sale (less $.....0 encumbrances)	0	0	0	0
5. Cash ($.....2,821,498, Sch. E-Part 1), cash equivalents ($.....0, Sch. E-Part 2) and short-term investments ($.....185,578,231, Sch. DA)	188,399,728	0	188,399,728	109,654,886
6. Contract loans (including $.....0 premium notes)	0	0	0	0
7. Other invested assets (Schedule BA)	2,729,328	0	2,729,328	7,473,135
8. Receivables for securities	0	0	0	0
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	4,278,337,304	10,809,994	4,267,527,310	3,866,665,218
11. Title plants less $.....0 charged off (for Title insurers only)	0	0	0	0
12. Investment income due and accrued	48,898,181	0	48,898,181	47,294,426
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in course of collection	48,653,512	8,152,247	40,501,265	38,286,677
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....(456,320) earned but unbilled premiums)	158,886,348	1,203,266	157,683,082	171,310,088
13.3 Accrued retrospective premiums	21,410,991	89,499	21,321,491	14,191,608
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	0	0	0	0
14.2 Funds held by or deposited with reinsured companies	2,460,152	0	2,460,152	2,830,482
14.3 Other amounts receivable under reinsurance contracts	0	0	0	0
15. Amounts receivable relating to uninsured plans	0	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
16.2 Net deferred tax asset	43,421,795	0	43,421,795	40,881,094
17. Guaranty funds receivable or on deposit	518,981	0	518,981	831,265
18. Electronic data processing equipment and software	0	0	0	0
19. Furniture and equipment, including health care delivery assets ($.....0)	0	0	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
21. Receivables from parent, subsidiaries and affiliates	35,398,660	0	35,398,660	9,858,701
22. Health care ($.....0) and other amounts receivable	0	0	0	0
23. Aggregate write-ins for other than invested assets	10,664,501	679,714	9,984,787	502,019
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	4,648,650,426	20,934,720	4,627,715,706	4,192,651,577
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
26. TOTALS (Lines 24 and 25)	4,648,650,426	20,934,720	4,627,715,706	4,192,651,577
DETAILS OF WRITE-INS				
0901.	0	0	0	0
0902.	0	0	0	0
0903.	0	0	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	0	0	0	0
2301. Equities and deposits in pools and associations	8,485,827	0	8,485,827	8,921,679
2302. State surcharges receivable	1,985,825	0	1,985,825	4,562,859
2303. Amounts receivable under high deductible policies	1,965,944	595,834	1,370,110	993,248
2398. Summary of remaining write-ins for Line 23 from overflow page	(1,773,094)	83,880	(1,856,974)	(13,975,767)
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	10,664,501	679,714	9,984,787	502,019

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	1,302,562,430	1,332,835,185
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	291,814	114,330
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	305,832,375	305,237,005
4.	Commissions payable, contingent commissions and other similar charges	23,435,966	25,715,329
5.	Other expenses (excluding taxes, licenses and fees)	21,326,319	19,527,467
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	18,452,238	23,550,701
7.1	Current federal and foreign income taxes (including $.....24,568,776 on realized capital gains (losses))	12,993,932	11,460,391
7.2	Net deferred tax liability	0	0
8.	Borrowed money $.....0 and interest thereon $.....0	0	0
9.	Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $.....88,504,301 and including warranty reserves of $.....0)	353,277,656	357,532,748
10.	Advance premium	678,732	678,732
11.	Dividends declared and unpaid:		
	11.1 Stockholders	0	0
	11.2 Policyholders	1,630,570	1,577,038
12.	Ceded reinsurance premiums payable (net of ceding commissions)	22,097,395	20,752,895
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	0	0
14.	Amounts withheld or retained by company for account of others	5,606,852	8,114,618
15.	Remittances and items not allocated	(1,529,457)	(1,658,948)
16.	Provision for reinsurance (Schedule F, Part 7)	0	0
17.	Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18.	Drafts outstanding	0	0
19.	Payable to parent, subsidiaries and affiliates	0	0
20.	Payable for securities	12,762,200	0
21.	Liability for amounts held under uninsured plans	0	0
22.	Capital notes $.....0 and interest thereon $.....0	0	0
23.	Aggregate write-ins for liabilities	82,541,034	21,321,622
24.	Total liabilities excluding protected cell liabilities (Lines 1 through 23)	2,161,960,056	2,126,759,112
25.	Protected cell liabilities	0	0
26.	Total liabilities (Lines 24 and 25)	2,161,960,056	2,126,759,112
27.	Aggregate write-ins for special surplus funds	8,270,160	8,314,197
28.	Common capital stock	35,214,075	35,214,075
29.	Preferred capital stock	0	0
30.	Aggregate write-ins for other than special surplus funds	0	0
31.	Surplus notes	0	0
32.	Gross paid in and contributed surplus	2,132,147,933	2,132,147,933
33.	Unassigned funds (surplus)	290,123,482	(109,783,739)
34.	Less treasury stock, at cost:		
	34.1 .....0.000 shares common (value included in Line 28 $.....0)	0	0
	34.2 .....0.000 shares preferred (value included in Line 29 $.....0)	0	0
35.	Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 39)	2,465,755,650	2,065,892,465
36.	TOTALS (Page 2, Line 26, Col. 3)	4,627,715,706	4,192,651,577

DETAILS OF WRITE-INS

2301.	Reinsurance payable intercompany	61,743,005	0
2302.	Investment real estate liability	13,237,004	13,641,753
2303.	Retrospective premium reserve	11,655,839	5,268,110
2398.	Summary of remaining write-ins for Line 23 from overflow page	(4,094,814)	2,411,759
2399.	Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	82,541,034	21,321,622
2701.	Special surplus from retroactive reinsurance	6,551,308	8,314,197
2702.	Special surplus for deferred taxes	1,718,852	0
2703.		0	0
2798.	Summary of remaining write-ins for Line 27 from overflow page	0	0
2799.	Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	8,270,160	8,314,197
3001.		0	0
3002.		0	0
3003.		0	0
3098.	Summary of remaining write-ins for Line 30 from overflow page	0	0
3099.	Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)	0	0

STATEMENT OF INCOME

		1 Current Year	2 Prior Year
	UNDERWRITING INCOME		
1.	Premiums earned (Part 1, Line 35, Column 4)	800,575,899	795,464,568
	DEDUCTIONS		
2.	Losses incurred (Part 2, Line 35, Column 7)	369,072,749	384,065,836
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	97,771,169	104,917,924
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2)	256,543,325	248,350,563
5.	Aggregate write-ins for underwriting deductions	0	0
6.	Total underwriting deductions (Lines 2 through 5)	723,387,242	737,334,323
7.	Net income of protected cells	0	0
8.	Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	77,188,657	58,130,245
	INVESTMENT INCOME		
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	173,997,940	172,393,429
10.	Net realized capital gains (losses) less capital gains tax of $.....8,866,004 (Exhibit of Capital Gains (Losses))	10,792,253	(20,137,473)
11.	Net investment gain (loss) (Lines 9 + 10)	184,790,193	152,255,956
	OTHER INCOME		
12.	Net gain (loss) from agents' or premium balances charged off (amount recovered $.....(2,360,115) amount charged off $.....327,587)	(2,687,702)	(1,912,848)
13.	Finance and service charges not included in premiums	4,154,629	4,082,397
14.	Aggregate write-ins for miscellaneous income	(567,386)	2,890,038
15.	Total other income (Lines 12 through 14)	899,541	5,059,587
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	262,878,390	215,445,788
17.	Dividends to policyholders	770,908	967,971
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)	262,107,482	214,477,817
19.	Federal and foreign income taxes incurred	49,850,203	40,942,657
20.	Net income (Line 18 minus Line 19) (to Line 22)	212,257,280	173,535,160
	CAPITAL AND SURPLUS ACCOUNT		
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	2,065,892,465	1,928,503,054
22.	Net income (from Line 20)	212,257,280	173,535,160
23.	Net transfers (to) from Protected Cell accounts	0	0
24.	Change in net unrealized capital gains or (losses) less capital gains tax of $.....53,514,222	110,842,752	(6,012,780)
25.	Change in net unrealized foreign exchange capital gain (loss)	6,379,554	(13,093,303)
26.	Change in net deferred income tax	(3,191,294)	(1,624,467)
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 26 Column 3)	62,399,495	(15,415,198)
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	0	0
29.	Change in surplus notes	0	0
30.	Surplus (contributed to) withdrawn from protected cells	0	0
31.	Cumulative effect of changes in accounting principles	9,456,546	0
32.	Capital changes:		
	32.1 Paid in	0	0
	32.2 Transferred from surplus (Stock Dividend)	0	0
	32.3 Transferred to surplus	0	0
33.	Surplus adjustments:		
	33.1 Paid in	0	0
	33.2 Transferred to capital (Stock Dividend)	0	0
	33.3. Transferred from capital	0	0
34.	Net remittances from or (to) Home Office	0	0
35.	Dividends to stockholders	0	0
36.	Change in treasury stock (Page 3, Lines 34.1 and 34.2, Column 2 minus Column 1)	0	0
37.	Aggregate write-ins for gains and losses in surplus	1,718,852	0
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37)	399,863,185	137,389,411
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 35)	2,465,755,650	2,065,892,465
	DETAILS OF WRITE-INS		
0501.		0	0
0502.		0	0
0503.		0	0
0598.	Summary of remaining write-ins for Line 5 from overflow page	0	0
0599.	Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0
1401.	Fines and penalties of regulatory authorities	(2,019)	(510,991)
1402.	Profit and loss, miscellaneous	(67,483)	(650,364)
1403.	Retroactive reinsurance gain/loss	(497,884)	4,051,393
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0
1499.	Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	(567,386)	2,890,038
3701.	Change in special surplus from deferred taxes	1,718,852	0
3702.		0	0
3703.		0	0
3798.	Summary of remaining write-ins for Line 37 from overflow page	0	0
3799.	Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above)	1,718,852	0

CASH FLOW

		1 Current Year	2 Prior Year
	CASH FROM OPERATIONS		
1.	Premiums collected net of reinsurance	793,161,532	799,952,282
2.	Net investment income	186,330,274	179,135,654
3.	Miscellaneous income	899,541	5,059,587
4.	Total (Lines 1 through 3)	980,391,347	984,147,522
5.	Benefit and loss related payments	398,797,690	412,750,920
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7.	Commissions, expenses paid and aggregate write-ins for deductions	358,648,722	347,478,071
8.	Dividends paid to policyholders	717,375	743,120
9.	Federal and foreign income taxes paid (recovered) net of $.....10,306,258 tax on capital gains (losses)	57,182,666	24,396,851
10.	Total (Lines 5 through 9)	815,346,453	785,368,962
11.	Net cash from operations (Line 4 minus Line 10)	165,044,893	198,778,560
	CASH FROM INVESTMENTS		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	392,703,215	557,418,719
	12.2 Stocks	42,254,326	0
	12.3 Mortgage loans	0	0
	12.4 Real estate	0	0
	12.5 Other invested assets	4,103,439	11,125,408
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	124,527	86,328
	12.7 Miscellaneous proceeds	12,762,200	0
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	451,947,707	568,630,455
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	564,980,513	807,381,999
	13.2 Stocks	177,013	25,000,000
	13.3 Mortgage loans	0	0
	13.4 Real estate	0	0
	13.5 Other invested assets	0	16,370
	13.6 Miscellaneous applications	0	7,551,530
	13.7 Total investments acquired (Lines 13.1 to 13.6)	565,157,526	839,949,899
14.	Net increase (decrease) in contract loans and premium notes	0	0
15.	Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)	(113,209,819)	(271,319,444)
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes	0	0
	16.2 Capital and paid in surplus, less treasury stock	0	0
	16.3 Borrowed funds	0	0
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
	16.5 Dividends to stockholders	0	0
	16.6 Other cash provided (applied)	26,909,768	43,737,577
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	26,909,768	43,737,577
	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)	78,744,842	(28,803,307)
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	109,654,886	138,458,193
	19.2 End of year (Line 18 plus Line 19.1)	188,399,728	109,654,886

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

20.0001	Exchange of stock	177,013	0

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 Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	24,232,415	10,827,567	10,794,967	24,265,014
2.	Allied lines	19,704,222	8,740,597	8,728,461	19,716,358
3.	Farmowners multiple peril	6,216,596	2,709,650	2,993,265	5,932,981
4.	Homeowners multiple peril	125,078,648	63,049,907	66,473,112	121,655,444
5.	Commercial multiple peril	122,890,434	57,604,838	59,057,442	121,437,830
6.	Mortgage guaranty	0	0	0	0
8.	Ocean marine	11,714,898	5,007,095	4,872,711	11,849,283
9.	Inland marine	30,295,705	14,888,038	14,120,500	31,063,243
10.	Financial guaranty	0	0	0	0
11.1	Medical professional liability - occurrence	(294)	(480)	(208)	(566)
11.2	Medical professional liability - claims-made	159	13,942	802	13,300
12.	Earthquake	3,710,665	1,609,108	1,742,328	3,577,445
13.	Group accident and health	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0
15.	Other accident and health	0	0	0	0
16.	Workers' compensation	111,093,974	41,620,747	42,923,090	109,791,630
17.1	Other liability - occurrence	74,846,148	34,347,652	32,178,824	77,014,976
17.2	Other liability - claims-made	27,387,847	17,288,967	16,040,377	28,636,438
17.3	Excess workers' compensation	1,295,921	413,060	432,555	1,276,426
18.1	Products liability - occurrence	5,802,922	2,631,328	2,370,562	6,063,688
18.2	Products liability - claims-made	836,932	406,720	368,545	875,106
19.1, 19.2	Private passenger auto liability	83,818,983	26,687,785	25,903,038	84,603,731
19.3, 19.4	Commercial auto liability	66,170,825	30,881,413	29,804,985	67,247,253
21.	Auto physical damage	70,862,118	25,335,310	24,316,753	71,880,675
22.	Aircraft (all perils)	339,009	(145,293)	108,333	85,383
23.	Fidelity	2,443,481	2,061,057	1,691,386	2,813,151
24.	Surety	1,259,399	(230,715)	(191,017)	1,219,701
26.	Burglary and theft	412,744	204,199	185,483	431,459
27.	Boiler and machinery	7,480,213	3,342,099	3,231,666	7,590,646
28.	Credit	(2,302)	3,079	1,101	(324)
29.	International	435,974	24,310	37,257	423,028
30.	Warranty	0	0	0	0
31.	Reinsurance - nonproportional assumed property	45,267	(5,810)	9,873	29,585
32.	Reinsurance - nonproportional assumed liability	858,240	618,485	534,300	942,426
33.	Reinsurance - nonproportional assumed financial lines	175,636	34,824	79,409	131,051
34.	Aggregate write-ins for other lines of business	12,129	0	2,590	9,539
35.	TOTALS	799,418,910	349,969,479	348,812,490	800,575,899

DETAILS OF WRITE-INS

3401.	Tribal workers' compensation	12,129	0	2,590	9,539
3402.		0	0	0	0
3403.		0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above)	12,129	0	2,590	9,539

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire	10,580,403	296,016	(81,452)	0	10,794,967
2.	Allied lines	8,521,718	206,743	0	0	8,728,461
3.	Farmowners multiple peril	2,993,298	(33)	0	0	2,993,265
4.	Homeowners multiple peril	66,494,731	(21,620)	0	0	66,473,112
5.	Commercial multiple peril	58,468,465	(102,296)	691,273	0	59,057,442
6.	Mortgage guaranty	0	0	0	0	0
8.	Ocean marine	4,911,831	35,850	(74,970)	0	4,872,711
9.	Inland marine	11,935,198	2,299,962	(114,660)	0	14,120,500
10.	Financial guaranty	0	0	0	0	0
11.1	Medical professional liability - occurrence	(208)	0	0	0	(208)
11.2	Medical professional liability - claims-made	48	0	0	754	802
12.	Earthquake	1,673,147	69,181	0	0	1,742,328
13.	Group accident and health	0	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0	0
15.	Other accident and health	0	0	0	0	0
16.	Workers' compensation	47,011,758	(548)	503,862	(4,591,982)	42,923,090
17.1	Other liability - occurrence	32,177,659	336,901	(80,687)	(255,050)	32,178,824
17.2	Other liability - claims-made	13,456,365	2,581,149	2,863	0	16,040,377
17.3	Excess workers' compensation	432,358	0	197	0	432,555
18.1	Products liability - occurrence	2,366,787	2,935	10,022	(9,182)	2,370,562
18.2	Products liability - claims-made	368,463	0	83	0	368,545
19.1, 19.2	Private passenger auto liability	25,903,038	0	0	0	25,903,038
19.3, 19.4	Commercial auto liability	29,808,903	61,447	0	(65,365)	29,804,985
21.	Auto physical damage	24,307,165	10,249	0	(662)	24,316,753
22.	Aircraft (all perils)	108,057	276	0	0	108,333
23.	Fidelity	1,033,287	658,041	59	0	1,691,386
24.	Surety	68,874	140,379	(400,270)	0	(191,017)
26.	Burglary and theft	133,644	51,839	0	0	185,483
27.	Boiler and machinery	3,140,772	90,894	0	0	3,231,666
28.	Credit	1,101	0	0	0	1,101
29.	International	37,257	0	0	0	37,257
30.	Warranty	0	0	0	0	0
31.	Reinsurance - nonproportional assumed property	9,873	0	0	0	9,873
32.	Reinsurance - nonproportional assumed liability	508,535	25,765	0	0	534,300
33.	Reinsurance - nonproportional assumed financial lines	79,409	0	0	0	79,409
34.	Aggregate write-ins for other lines of business	2,590	0	0	0	2,590
35.	TOTALS	346,534,526	6,743,130	456,320	(4,921,486)	348,812,490
36.	Accrued retrospective premiums based on experience					4,921,486
37.	Earned but unbilled premiums					(456,320)
38.	Balance (sum of Lines 35 through 37)					353,277,656

DETAILS OF WRITE-INS

3401.	Tribal workers' compensation	2,590	0	0	0	2,590
3402.		0	0	0	0	0
3403.		0	0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above)	2,590	0	0	0	2,590

(a) State here basis of computation used in each case: Daily pro rata; pools and associations as submitted

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed 2 From Affiliates	Reinsurance Assumed 3 From Non-Affiliates	Reinsurance Ceded 4 To Affiliates	Reinsurance Ceded 5 To Non-Affiliates	6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
1. Fire	163,902	24,232,415	(56)	163,846	0	24,232,415
2. Allied lines	0	19,704,222	0	0	0	19,704,222
3. Farmowners multiple peril	0	6,216,596	0	0	0	6,216,596
4. Homeowners multiple peril	0	125,078,648	0	0	0	125,078,648
5. Commercial multiple peril	0	122,890,434	0	0	0	122,890,434
6. Mortgage guaranty	0	0	0	0	0	0
8. Ocean marine	0	11,714,898	152	152	0	11,714,898
9. Inland marine	(92,378)	30,295,705	0	(92,378)	0	30,295,705
10. Financial guaranty	0	0	0	0	0	0
11.1 Medical professional liability - occurrence	0	(294)	0	0	0	(294)
11.2 Medical professional liability - claims-made	0	159	0	0	0	159
12. Earthquake	0	3,710,665	0	0	0	3,710,665
13. Group accident and health	0	0	0	0	0	0
14. Credit accident and health (group and individual)	0	0	0	0	0	0
15. Other accident and health	0	0	0	0	0	0
16. Workers' compensation	110,999,538	145,353,179	248,921	145,507,664	0	111,093,974
17.1 Other liability - occurrence	(2,677,912)	74,831,664	927,529	(1,764,866)	0	74,846,148
17.2 Other liability - claims-made	173,621	27,387,847	0	173,621	0	27,387,847
17.3 Excess workers' compensation	18,710,703	1,295,921	0	18,710,703	0	1,295,921
18.1 Products liability - occurrence	0	5,799,856	0	(3,066)	0	5,802,922
18.2 Products liability - claims-made	0	836,932	0	0	0	836,932
19.1, 19.2 Private passenger auto liability	0	83,818,983	0	0	0	83,818,983
19.3, 19.4 Commercial auto liability	(179,892)	67,870,037	(905,654)	613,666	0	66,170,825
21. Auto physical damage	358	70,862,118	0	358	0	70,862,118
22. Aircraft (all perils)	0	339,009	14,869	14,869	0	339,009
23. Fidelity	19,133	2,443,481	0	19,133	0	2,443,481
24. Surety	2,231,270	1,463,331	688	2,435,890	0	1,259,399
26. Burglary and theft	0	412,744	0	0	0	412,744
27. Boiler and machinery	0	7,480,213	0	0	0	7,480,213
28. Credit	0	(2,302)	(7)	(7)	0	(2,302)
29. International	0	435,974	0	0	0	435,974
30. Warranty	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property	XXX	45,267	(2,057)	(2,057)	0	45,267
32. Reinsurance - nonproportional assumed liability	XXX	858,240	(89,759)	(89,759)	0	858,240
33. Reinsurance - nonproportional assumed financial lines	XXX	175,636	0	0	0	175,636
34. Aggregate write-ins for other lines of business	0	12,129	0	0	0	12,129
35. TOTALS	129,348,344	835,563,709	194,626	165,687,770	0	799,418,910

DETAILS OF WRITE-INS

3401.	Tribal workers' compensation	0	12,129	0	0	0	12,129
3402.		0	0	0	0	0	0
3403.		0	0	0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above)	0	12,129	0	0	0	12,129

(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 $.....0.

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis $.....0.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

	Line of Business	Losses Paid Less Salvage 1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)	5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire	(665,370)	10,477,066	(484,735)	10,296,431	12,014,116	13,055,079	9,255,467	38.1
2.	Allied lines	477,758	15,698,118	410,651	15,765,225	11,233,097	14,653,597	12,344,725	62.6
3.	Farmowners multiple peril	0	3,037,320	0	3,037,320	1,621,088	971,079	3,687,330	62.1
4.	Homeowners multiple peril	47,328	68,668,543	3,917,162	64,798,708	28,897,323	33,169,926	60,526,105	49.8
5.	Commercial multiple peril	18,419,337	55,797,586	21,684,473	52,532,449	99,139,700	107,210,075	44,462,075	36.6
6.	Mortgage guaranty	0	0	0	0	0	0	0	0.0
8.	Ocean marine	0	5,202,528	30,510	5,172,018	7,335,205	7,747,606	4,759,617	40.2
9.	Inland marine	(181,924)	13,379,188	(183,028)	13,380,293	12,686,007	14,126,459	11,939,841	38.4
10.	Financial guaranty	0	0	0	0	0	0	0	0.0
11.1	Medical professional liability - occurrence	0	1,168,029	0	1,168,029	2,506,970	3,839,948	(164,949)	29,128.0
11.2	Medical professional liability - claims-made	0	1,676,803	0	1,676,803	6,698,249	6,757,055	1,617,997	12,165.8
12.	Earthquake	0	199	0	199	143,022	150,543	(7,322)	(0.2)
13.	Group accident and health	0	0	0	0	0	0	0	0.0
14.	Credit accident and health (group and individual)	0	0	0	0	0	0	0	0.0
15.	Other accident and health	14,886	70	14,956	0	0	0	0	0.0
16.	Workers' compensation	89,677,918	87,811,471	133,156,652	44,332,738	485,513,503	461,879,059	67,967,182	61.9
17.1	Other liability - occurrence	23,397,773	43,487,065	33,064,482	33,820,355	242,296,721	254,452,815	21,664,262	28.1
17.2	Other liability - claims-made	2,502,505	22,067,040	8,006,167	16,563,378	76,725,908	74,823,035	18,466,252	64.5
17.3	Excess workers' compensation	8,871,979	691,782	8,871,979	691,782	20,712,229	20,712,575	691,436	54.2
18.1	Products liability - occurrence	6,006,818	8,035,754	6,500,515	7,542,057	63,987,327	71,996,051	(466,667)	(7.7)
18.2	Products liability - claims-made	0	324,622	0	324,622	1,399,754	1,495,736	228,640	26.1
19.1, 19.2	Private passenger auto liability	4,256,968	47,556,837	4,541,731	47,272,074	65,823,824	66,098,058	46,997,839	55.6
19.3, 19.4	Commercial auto liability	7,052,407	32,414,342	6,115,478	33,351,272	77,719,945	82,874,821	28,196,396	41.9
21.	Auto physical damage	(379,390)	37,911,272	(435,126)	37,967,008	4,348,514	4,452,511	37,863,011	52.7
22.	Aircraft (all perils)	24,276	1,027,092	911,218	140,149	1,398,592	978,134	560,607	656.6
23.	Fidelity	2,790,166	1,521,048	2,784,341	1,526,873	6,186,447	5,020,750	2,692,570	95.7
24.	Surety	(16,493,932)	1,536,018	(16,554,114)	1,596,200	14,076,356	17,915,855	(2,243,299)	(183.9)
26.	Burglary and theft	(1,993)	20,476	(1,993)	20,476	576,053	688,982	(92,453)	(21.4)
27.	Boiler and machinery	55,000	1,962,085	(3,694)	2,020,779	2,053,467	2,539,534	1,534,712	20.2
28.	Credit	0	(9,313)	(5,851)	(3,462)	537,976	539,975	(5,461)	1,685.8
29.	International	0	204,428	0	204,428	410,357	681,672	(66,887)	(15.8)
30.	Warranty	0	0	0	0	(60)	0	0	0.0
31.	Reinsurance - nonproportional assumed property	XXX	2,085,415	(196,180)	2,281,594	2,486,269	5,066,144	(298,282)	(1,008.2)
32.	Reinsurance - nonproportional assumed liability	XXX	10,656,444	8,819,629	1,836,815	52,857,978	57,345,708	(2,650,914)	(281.3)
33.	Reinsurance - nonproportional assumed financial lines	XXX	26,840	0	26,840	1,170,245	1,591,910	(394,825)	(301.3)
34.	Aggregate write-ins for other lines of business	0	2,047	0	2,047	6,251	554	7,744	81.2
35.	TOTALS	145,872,510	474,438,217	220,965,223	399,345,503	1,302,562,430	1,332,835,185	369,072,749	46.1
	DETAILS OF WRITE-INS								
3401.	Tribal workers' compensation	0	2,047	0	2,047	6,251	554	7,744	81.2
3402.		0	0	0	0	0	0	0	0.0
3403.		0	0	0	0	0	0	0	0.0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	XXX	
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above)	0	2,047	0	2,047	6,251	554	7,744	81.2

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

	Line of Business	Reported Losses 1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	Incurred But Not Reported 5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded	8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
1.	Fire	789	8,078,615	1,398,350	6,681,054	1,238,362	5,665,250	1,570,550	12,014,116	1,212,216
2.	Allied lines	1,387,079	7,112,579	1,397,113	7,102,546	5,013,294	6,824,572	7,707,314	11,233,097	2,085,383
3.	Farmowners multiple peril	0	822,740	0	822,740	20,982	798,352	20,986	1,621,088	385,178
4.	Homeowners multiple peril	984,812	17,180,555	2,255,841	15,909,526	186,184	13,205,915	404,302	28,897,323	6,672,674
5.	Commercial multiple peril	25,895,903	59,629,899	33,400,606	52,125,196	58,340,201	55,603,434	66,929,131	99,139,700	47,888,028
6.	Mortgage guaranty	0	0	0	0	0	0	0	0	0
8.	Ocean marine	0	5,836,916	615,624	5,221,291	(47,410)	2,114,056	(47,267)	7,335,205	1,518,750
9.	Inland marine	1	7,501,000	37,016	7,463,985	2,879,358	5,309,241	2,966,576	12,686,007	1,796,249
10.	Financial guaranty	0	0	0	0	0	0	0	0	0
11.1	Medical professional liability - occurrence	0	1,614,690	0	1,614,690	288	892,281	288	2,506,970	537,193
11.2	Medical professional liability - claims-made	0	5,007,440	0	5,007,440	0	1,690,809	0	6,698,249	875,958
12.	Earthquake	0	2,208	0	2,208	138,499	185,302	182,986	143,022	88,561
13.	Group accident and health	0	0	0	0	0	0	0	(a) 0	0
14.	Credit accident and health (group and individual)	0	0	0	0	0	0	0	0	0
15.	Other accident and health	0	40,973	40,973	0	126,235	0	126,235	(a) 0	0
16.	Workers' compensation	365,548,098	568,762,614	682,896,834	251,413,878	339,966,588	523,617,267	629,484,230	485,513,503	59,697,654
17.1	Other liability - occurrence	46,169,776	57,534,182	58,556,516	45,147,442	71,771,632	206,384,013	81,006,367	242,296,721	87,199,857
17.2	Other liability - claims-made	819,002	26,818,652	3,910,487	23,727,167	4,421,518	53,609,516	5,032,293	76,725,908	22,848,839
17.3	Excess workers' compensation	155,147,940	7,541,496	155,147,940	7,541,496	85,033,595	70,641,871	142,504,733	20,712,229	544,347
18.1	Products liability - occurrence	7,695,475	13,204,183	10,120,536	10,779,122	5,696,180	54,225,746	6,713,721	63,987,327	36,435,656
18.2	Products liability - claims-made	0	142,484	0	142,484	1,017,531	1,259,383	1,019,644	1,399,754	963,249
19.1, 19.2	Private passenger auto liability	23,925,196	51,801,867	36,563,821	39,163,242	83,921,943	28,256,133	85,517,495	65,823,824	14,812,412
19.3, 19.4	Commercial auto liability	35,781,901	44,489,049	39,574,214	40,696,735	24,992,602	43,549,614	31,519,007	77,719,945	12,662,438
21.	Auto physical damage	72,315	2,386,491	477,001	1,981,805	499,811	3,787,428	1,920,530	4,348,514	999,263
22.	Aircraft (all perils)	362,192	2,146,598	2,239,802	268,988	(3,424,416)	1,228,140	(3,325,880)	1,398,592	289,963
23.	Fidelity	468,463	1,564,615	491,800	1,541,278	509,186	4,723,170	587,187	6,186,447	1,511,929
24.	Surety	150,533,933	9,510,767	153,028,621	7,016,079	48,743,701	12,803,965	54,487,389	14,076,356	2,194,803
26.	Burglary and theft	0	1,854	0	1,854	167,760	585,356	178,918	576,053	155,251
27.	Boiler and machinery	0	744,032	2,410	741,622	1,058,934	1,589,383	1,336,472	2,053,467	309,906
28.	Credit	0	698,335	389,274	309,061	0	228,915	0	537,976	111,089
29.	International	0	200,944	0	200,944	0	209,413	0	410,357	6,190
30.	Warranty	0	(60)	0	(60)	0	0	0	(60)	0
31.	Reinsurance - nonproportional assumed property	XXX	3,732,836	1,836,967	1,895,869	XXX	590,399	0	2,486,269	289,977
32.	Reinsurance - nonproportional assumed liability	XXX	127,191,934	97,948,840	29,243,094	XXX	23,614,884	0	52,857,978	1,703,696
33.	Reinsurance - nonproportional assumed financial lines	XXX	502,308	253,533	248,775	XXX	921,469	0	1,170,245	35,201
34.	Aggregate write-ins for other lines of business	0	4,194	0	4,194	0	2,056	0	6,251	467
35.	TOTALS	814,792,876	1,031,806,990	1,282,584,120	564,015,746	732,272,559	1,124,117,333	1,117,843,208	1,302,562,430	305,832,375
	DETAILS OF WRITE-INS									
3401.	Tribal workers' compensation	0	4,194	0	4,194	0	2,056	0	6,251	467
3402.		0	0	0	0	0	0	0	0	0
3403.		0	0	0	0	0	0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above)	0	4,194	0	4,194	0	2,056	0	6,251	467

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	42,723,628	0	0	42,723,628
1.2 Reinsurance assumed	52,593,024	0	0	52,593,024
1.3 Reinsurance ceded	47,709,912	0	0	47,709,912
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	47,606,740	0	0	47,606,740
2. Commission and brokerage:				
2.1 Direct, excluding contingent	0	6,054,807	0	6,054,807
2.2 Reinsurance assumed, excluding contingent	0	122,000,402	0	122,000,402
2.3 Reinsurance ceded, excluding contingent	0	8,534,817	0	8,534,817
2.4 Contingent - direct	0	(664)	0	(664)
2.5 Contingent - reinsurance assumed	0	899,394	0	899,394
2.6 Contingent - reinsurance ceded	0	(74,838)	0	(74,838)
2.7 Policy and membership fees	0	0	0	0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	120,493,960	0	120,493,960
3. Allowances to manager and agents	0	122,602	0	122,602
4. Advertising	771	4,905,000	0	4,905,771
5. Boards, bureaus and associations	231,177	3,380,477	413	3,612,067
6. Surveys and underwriting reports	2,513	3,425,063	0	3,427,576
7. Audit of assureds' records	0	0	0	0
8. Salary and related items:				
8.1 Salaries	29,576,736	57,360,153	525,158	87,462,047
8.2 Payroll taxes	2,184,561	3,760,649	41,821	5,987,031
9. Employee relations and welfare	4,815,338	7,903,977	80,023	12,799,338
10. Insurance	7,230,205	1,042,816	2,593	8,275,614
11. Directors' fees	0	0	0	0
12. Travel and travel items	1,661,057	2,936,401	17,649	4,615,107
13. Rent and rent items	1,647,530	4,571,987	38,239	6,257,756
14. Equipment	262,351	1,302,180	14,239	1,578,770
15. Cost or depreciation of EDP equipment and software	(397,143)	17,706,183	62,297	17,371,337
16. Printing and stationery	176,351	659,305	4,544	840,200
17. Postage, telephone and telegraph, exchange and express	(31,508)	3,918,901	10,162	3,897,555
18. Legal and auditing	2,298,792	2,199,931	67,417	4,566,140
19. Totals (Lines 3 to 18)	49,658,731	115,195,625	864,555	165,718,911
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of $.....423,736	0	20,825,208	0	20,825,208
20.2 Insurance department licenses and fees	0	1,663,714	0	1,663,714
20.3 Gross guaranty association assessments	0	155,596	0	155,596
20.4 All other (excluding federal and foreign income and real estate)	0	999,953	0	999,953
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	0	23,644,472	0	23,644,472
21. Real estate expenses	0	0	116,272	116,272
22. Real estate taxes	0	0	0	0
23. Reimbursements by uninsured plans	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses	505,698	(2,790,733)	18,802	(2,266,233)
25. Total expenses incurred	97,771,169	256,543,324	999,629	(a) 355,314,121
26. Less unpaid expenses - current year	305,832,375	63,221,225	(6,702)	369,046,899
27. Add unpaid expenses - prior year	305,237,005	68,463,107	330,389	374,030,502
28. Amounts receivable relating to uninsured plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	97,175,799	261,785,206	1,336,720	360,297,724

DETAILS OF WRITE-INS

2401. Miscellaneous expenses	1,578,731	10,363,436	18,802	11,960,969
2402. Costs of computer software developed for internal use	(944,245)	(12,044,884)	0	(12,989,129)
2403. Service reimbursements	(128,788)	(1,109,286)	0	(1,238,074)
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above)	505,698	(2,790,733)	18,802	(2,266,233)

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

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. government bonds	(a) 6,851,105	6,919,948
1.1	Bonds exempt from U.S. tax	(a) 102,791,144	103,822,799
1.2	Other bonds (unaffiliated)	(a) 52,995,934	53,495,413
1.3	Bonds of affiliates	(a) 0	0
2.1	Preferred stocks (unaffiliated)	(b) 0	0
2.11	Preferred stocks of affiliates	(b) 0	0
2.2	Common stocks (unaffiliated)	750,510	750,510
2.21	Common stocks of affiliates	4,200,000	4,200,000
3.	Mortgage loans	(c) 0	0
4.	Real estate	(d) 0	0
5.	Contract loans	0	0
6.	Cash, cash equivalents and short-term investments	(e) 488,250	492,028
7.	Derivative instruments	(f) 0	0
8.	Other invested assets	5,580,820	5,580,820
9.	Aggregate write-ins for investment income	(263,950)	(263,950)
10.	Total gross investment income	173,393,814	174,997,569
11.	Investment expenses		(g) 999,629
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13.	Interest expense		(h) 0
14.	Depreciation on real estate and other invested assets		(i) 0
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		999,629
17.	Net investment income (Line 10 minus Line 16)		173,997,940
	DETAILS OF WRITE-INS		
0901.	Property and wind plans	15,905	15,905
0902.	Security Lending Income	12,850	12,850
0903.	Miscellanous Income	(292,705)	(292,705)
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	(263,950)	(263,950)
1501.			0
1502.			0
1503.			0
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above)		0

(a) Includes $.....3,120,761 accrual of discount less $.....17,853,706 amortization of premium and less $.....1,755,419 paid for accrued interest on purchases.
(b) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued dividends on purchases.
(c) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued interest on purchases.
(d) Includes $.....0 for company's occupancy of its own buildings; and excludes $.....0 interest on encumbrances.
(e) Includes $.....0 accrual of discount less $.....29,595 amortization of premium and less $.....3,306 paid for accrued interest on purchases.
(f) Includes $.....0 accrual of discount less $.....0 amortization of premium.
(g) Includes $.....0 investment expenses and $.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
(h) Includes $.....0 interest on surplus notes and $.....0 interest on capital notes.
(i) Includes $.....0 depreciation on real estate and $.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. government bonds	0	0	0	0	0
1.1	Bonds exempt from U.S. tax	844,156	0	844,156	0	0
1.2	Other bonds (unaffiliated)	2,109,474	(4,851,006)	(2,741,532)	10,567,130	6,340,114
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	42,077,329	(19)	42,077,310	151,664,679	0
2.21	Common stocks of affiliates	0	0	0	3,250,779	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0	0	0
5.	Contract loans	0	0	0	0	0
6.	Cash, cash equivalents and short-term investments	0	124,527	124,527	0	0
7.	Derivative instruments	0	0	0	0	0
8.	Other invested assets	25,480	0	25,480	(1,125,613)	0
9.	Aggregate write-ins for capital gains (losses)	(6,400,000)	(14,271,683)	(20,671,683)	0	39,441
10.	Total capital gains (losses)	38,656,438	(18,998,180)	19,658,257	164,356,974	6,379,554
	DETAILS OF WRITE-INS					
0901.	Foreign Exchange	0	276,849	276,849	0	39,441
0902.	Afianzadora adjustment for tax liability	(6,400,000)	0	(6,400,000)	0	0
0903.	Cumulative Effect of SSAP 43R	0	(14,548,532)	(14,548,532)	0	0
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	(6,400,000)	(14,271,683)	(20,671,683)	0	39,441

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	10,809,994	10,201,375	(608,619)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)	0	0	0
6. Contract loans	0	0	0
7. Other invested assets (Schedule BA)	0	0	0
8. Receivables for securities	0	0	0
9. Aggregate write-ins for invested assets	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	10,809,994	10,201,375	(608,619)
11. Title plants (for Title insurers only)	0	0	0
12. Investment income due and accrued	0	0	0
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	8,152,247	8,734,427	582,180
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	1,203,266	1,287,540	84,274
13.3 Accrued retrospective premiums	89,499	93,282	3,783
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers	0	0	0
14.2 Funds held by or deposited with reinsured companies	0	0	0
14.3 Other amounts receivable under reinsurance contracts	0	0	0
15. Amounts receivable relating to uninsured plans	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
16.2 Net deferred tax asset	0	64,338,203	64,338,203
17. Guaranty funds receivable or on deposit	0	0	0
18. Electronic data processing equipment and software	0	0	0
19. Furniture and equipment, including health care delivery assets	0	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
21. Receivables from parent, subsidiaries and affiliates	0	0	0
22. Health care and other amounts receivable	0	0	0
23. Aggregate write-ins for other than invested assets	679,714	398,240	(281,474)
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23)	20,934,720	85,053,067	64,118,347
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
26. TOTALS (Lines 24 and 25)	20,934,720	85,053,067	64,118,347

DETAILS OF WRITE-INS

0901.	0	0	0
0902.	0	0	0
0903.	0	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	0	0	0
2301. Amounts receivable under high deductible policies	595,834	398,240	(197,594)
2302. Other assets nonadmitted	83,880	0	(83,880)
2303.	0	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	679,714	398,240	(281,474)

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. United States Fidelity and Guaranty Company (the Company) prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Connecticut. The State of Connecticut requires that insurance companies domiciled in Connecticut prepare their statutory basis financial statements in accordance with the National Association of Insurance Commissioners (NAIC) *Accounting Practices and Procedures Manual*, subject to any deviations prescribed or permitted by the Connecticut Insurance Commissioner. The impact of any permitted accounting practices on statutory surplus was not material.

B. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and losses and expenses during the reporting period. Actual results could differ from those estimates.

C. Certain assets designated as nonadmitted are excluded from the statutory balance sheet and changes in such amounts are charged or credited directly to unassigned surplus. The costs of acquiring both new and renewal insurance business are charged to income as incurred. Premiums are recognized as revenues pro rata over the policy period. Unearned premium reserves represent the unexpired portion of policy premiums, net of reinsurance. Reserves for losses, loss adjustment expenses (LAE) and unearned premiums ceded to reinsurers have been reported as reductions of the related reserves. Amounts recoverable from reinsurers are estimated in a manner consistent with the loss liability associated with the reinsured business. A liability is established for unsecured, unauthorized reinsurance and overdue authorized reinsurance recoverables. The provision for federal income taxes is comprised of two components, current income taxes and deferred income taxes. Deferred federal income taxes arise from changes during the year in cumulative temporary differences between the statutory basis and tax basis of assets and liabilities, and are recognized in accordance with Statement of Statutory Accounting Principles (SSAP) No. 10R, *Income Taxes- Revised, A Temporary Replacement of SSAP No.10*.

Invested assets are valued according to statutory requirements and the bases of valuation adopted by the NAIC.

Short-term investments are stated at amortized cost.

Bonds are generally stated at amortized cost, except bonds that are defined by the NAIC as non-investment grade (NAIC Class 3-6) which are stated at the lower of amortized cost or NAIC fair value. Amortization is calculated using the constant yield method.

Common stocks of non-affiliates are stated at NAIC fair value.

Loan-backed and structured securities are amortized using the retrospective method, except for securities that have incurred a decline in fair value that is other than temporary are amortized using the prospective method. The effective yield used to determine amortization is calculated based on actual historical and projected future cash flows, which are obtained from a widely-accepted securities data provider.

Investments in subsidiaries and affiliated entities are based on the net worth of the entity, determined in accordance with statutory accounting valuation methods. Dividends received from subsidiaries are recorded as net investment income and undistributed net income is recorded as net unrealized capital gains (losses).

The Company's investments in partnerships, joint ventures and limited liability companies are reported using the equity method of accounting, determined in accordance with statutory accounting valuation methods. Distributions of accumulated earnings received from these investments are recorded as net investment income and undistributed net income is recorded as net unrealized capital gains (losses).

The Company utilizes anticipated investment income as a factor in the premium deficiency calculation.

Property-casualty reserves are established for loss and LAE and include estimates of both reported and unreported claims incurred and related expenses. The reserves are regularly adjusted based upon experience. In determining loss and LAE reserves, the Company continually reviews its overall reserve position, its reserving techniques and its reinsurance. These reserves represent the estimated ultimate cost of all incurred losses and LAE net of reinsurance. Since the reserves are based on estimates, the ultimate liability may be more or less than such reserves. The effects of changes in such estimated reserves are included in net income in the period in which the estimates are changed. Such changes may be material to net income and could occur in a future period. For a discussion of loss and LAE related to asbestos and environmental reserves, see Note 32.

The Company has not modified its accounting policy regarding the capitalization of fixed assets from the prior period.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

The Company had no material changes in accounting principles during 2009.

3. BUSINESS COMBINATIONS AND GOODWILL

Not applicable.

4. DISCONTINUED OPERATIONS

Not applicable.

5. INVESTMENTS

A. Mortgage Loans:

Not applicable.

B. Debt Restructuring:

Not applicable.

C. Reverse Mortgages:

Not applicable.

D. Loan-Backed Securities:

The Company applies the retrospective method of revaluing loan-backed securities. The Company's loan-backed securities are revalued quarterly using actual and currently estimated future cash flows, including anticipated prepayments, with the original cost. For those securities where an other-than-temporary impairment has been recognized, the prospective method is utilized.

For collateralized mortgage obligations and asset-backed securities, the Smith Barney Mortgage Prepayment Model provided by Yield Book® is used to project prepayments whenever it is available. For pass-through certificates and when collateralized mortgage obligations and asset-backed securities are not modeled in Yield Book® or no prepayment model is provided, a consensus forecast from Bloomberg L.P. is used if available, otherwise the average three-month prepayment history is used.

When unit prices published by the Securities Valuation Office were not available, the Company used Bloomberg and Financial Times Interactive Data, as well as broker quotes in determining the fair value of its loan-backed securities.

NOTES TO FINANCIAL STATEMENTS

As a result of recording other-than-temporary impairments during 2009, the Company changed from the retrospective to prospective method for valuing the securities listed below.

Cusip
32051GB79
07386YAE4
74958TAJ2
05530NAV9
12544WAG2

The following table provides aggregated information on structured securities classified on the basis for the recognized other-than-temporary impairments:

	Amortized cost basis before other-than-temporary impairment	Other-than-temporary impairment recognized in loss	Amortized cost basis after other-than-temporary impairment	Fair Value
Aggregate Intent & Ability to Retain	$ 89,382,837	$ 6,889,091	$ 79,643,571	$ 60,165,242

The above table does not reflect the impact of amortization and/or payment of principal that have occurred on securities that have multiple other-than-temporary impairments.

Loan-backed and structured securities with other-than-temporary impairments are as follows:

Cusip	Amortized cost basis before other-than-temporary impairment	Projected Cash Flow	Other-than-temporary impairment recognized in loss	Amortized cost basis after other-than-temporary impairment	Fair Value	Impairment Quarter
32051GB79	$ 20,408,345	$20,348,438	$ 59,908	$ 20,348,438	$15,170,864	Q3 - 2009
07386YAE4	24,514,159	23,668,871	845,287	23,668,871	16,670,356	Q3 - 2009
05530NAV9	8,260,250	7,507,813	752,437	7,507,813	6,348,739	Q3 - 2009
12544WAG2	15,868,218	15,027,264	840,954	15,027,264	11,162,713	Q3 - 2009
74958TAJ2	20,331,865	18,087,677	2,244,188	18,087,677	11,205,842	Q3 - 2009
32051GB79	20,360,590	19,679,063	681,528	19,679,063	14,801,852	Q4 - 2009
74958TAJ2	16,074,882	15,171,227	903,654	15,171,227	12,103,517	Q4 - 2009
07386YAE4	22,817,552	22,548,830	268,723	22,548,830	15,968,563	Q4 - 2009
05530NAV9	7,509,600	7,217,188	292,413	7,217,188	6,128,597	Q4 - 2009

The gross unrealized investment losses and related fair value for impaired securities for which an other-than- temporary impairment has not been recognized as a realized loss were as follows:

	Less Than 12 Months		12 Months or Longer		Total	
	Fair Value	Gross Unrealized Loss	Fair Value	Gross Unrealized Loss	Fair Value	Gross Unrealized Loss
Loan-backed securities	$ -	$ -	$ -	$ -	$ -	$ -
Structured securities	70,077,251	15,741,303	18,390,573	2,261,108	88,467,824	18,002,411

When determining whether or not to recognize an other-than-temporary impairment, the Company considers estimated cash flows, the investee's current financial condition, liquidity, near term recovery prospects, and other relevant information, including the outlook for the business sectors in which the investee operates.

E. Repurchase Agreements:

Not applicable.

F. Real Estate

Not applicable.

G. Investments in Low-Income Housing Tax Credits (LIHTC):

Not applicable.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

Not applicable.

7. INVESTMENT INCOME

A. Surplus excludes due and accrued investment income if amounts are over 90 days past due.

B. At December 31, 2009, the Company had no past due accrued investment income.

8. DERIVATIVE INSTRUMENTS

Not applicable.

NOTES TO FINANCIAL STATEMENTS

9. INCOME TAXES

A. The components of the net deferred tax asset (liability) recognized in the Company's assets, liabilities, surplus and other funds are as follows:

	December 31, 2009			December 31, 2008
	Ordinary	Capital	Total	Total
Gross deferred tax assets	$ 163,261,266	16,960,874	180,222,140	$ 207,534,980
Statutory valuation allowance adjustment	-	-	-	-
Adjusted gross deferred tax assets	163,261,266	16,960,874	180,222,140	207,534,980
Gross deferred tax liabilities	(39,649,124)	(97,151,221)	(136,800,345)	(102,315,685)
Net deferred tax asset (liability)	123,612,142	(80,190,347)	43,421,795	105,219,295
Deferred tax asset nonadmitted	-	-	-	(64,338,202)
Net admitted deferred tax asset (liability)	123,612,142	(80,190,347)	43,421,795	40,881,093
(Increase) decrease in nonadmitted asset			64,338,202	(8,423,310)

The Company has elected to admit deferred tax assets (DTA) pursuant to SSAP No. 10R. The election is new for 2009.

The increase in the admitted DTA as the result of SSAP No. 10R is as follows:

	With SSAP 10R	Without SSAP 10R	Change
Admitted DTA – Ordinary	123,612,142	121,893,290	1,718,852
Reduction of Admitted DTA – Ordinary	(80,190,347)	(80,190,347)	-
Total Admitted DTA	43,421,795	41,702,943	1,718,852

The amount of each result or component of the deferred tax calculation as determined by SSAP No. 10R paragraph 10 is as follows:

	Ordinary	Capital	Total
a. Amount from loss carryback capacity based on reversals by the end of the subsequent year	41,702,943	-	41,702,943
b. Amount after the application of a. expected to be realized subject to 10% of adjusted surplus (215,045,081)	-	-	-
c. Amount after application of a. and b. offset against DTL's	119,839,471	16,960,874	136,800,345
DTL's netted within deferred tax assets	(39,649,124)	(97,151,221)	(136,800,345)
Total Admitted Assets	121,893,290	(80,190,347)	41,702,943
e.i Amount from loss carryback capacity based on reversals during time periods corresponding to IRS rules not to exceed 3 years	43,421,795	-	43,421,795
e.ii Amount after the application of e.i expected to be realized subject to 15% of adjusted surplus (322,567,621)	-	-	-
e.iii Amount after application of e.i and e.ii offset against DTL's	119,839,471	16,960,874	136,800,345
DTL's netted within deferred tax assets	(39,649,124)	(97,151,221)	(136,800,345)
Total Admitted Assets	123,612,142	(80,190,347)	43,421,795

Risk-based capital:

	With SSAP 10R	Without SSAP 10R	Difference
Total adjusted capital	2,465,755,650	2,463,673,435	2,082,215
Authorized control level risk-based capital	147,546,024	147,545,060	964

B. Deferred tax liabilities not recognized for the following amounts:

Not applicable.

C. The provisions for incurred taxes on earnings are as follows:

	December 31, 2009	December 31, 2008
Federal	$ 49,850,203	$ 40,942,657
Foreign	-	-
	49,850,203	40,942,657
Federal income taxes on net capital gains	8,866,004	1,565,260
Federal and foreign income taxes incurred	$ 58,716,207	$ 42,507,917

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

	December 31, 2009	December 31, 2008
Deferred tax assets:		
Claims and claim adjustment expense reserves	$ 47,916,458	$ 52,936,155
Unearned premium reserves	24,776,949	25,074,805
Investments	97,470,550	118,542,372
Other assets	10,058,183	10,981,648
Total deferred tax assets	180,222,140	207,534,980
Nonadmitted deferred tax assets	-	(64,338,202)
Admitted deferred tax assets	180,222,140	143,196,778
Deferred tax liabilities:		
Investments	135,953,525	101,432,635
Other liabilities	846,820	883,050
Total deferred tax liabilities	136,800,345	102,315,685
Net admitted tax asset	$ 43,421,795	$ 40,881,093

There are no adjustments to a deferred tax asset or deferred tax liability for enacted changes in tax laws or rates or a change in the tax status of the Company.

There are no adjustments to gross deferred tax assets because of a change in circumstances that causes a change in judgment about the realizability of the related deferred tax asset.

The change in net deferred income taxes is comprised of the following:

	December 31, 2009	December 31, 2008	Change
Total deferred tax assets	$ 180,222,140	$ 207,534,980	$ (27,312,840)
Total deferred tax liabilities	(136,800,345)	(102,315,685)	(34,484,660)
Net deferred tax asset (liability)	$ 43,421,795	$ 105,219,295	(61,797,500)
Tax effect of unrealized gains (losses)			53,514,222
Deferred tax change in cumulative effect			5,091,986
Change in net deferred income taxes			$ (3,191,292)

NOTES TO FINANCIAL STATEMENTS

D. The provision for federal and foreign income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate before income tax. The significant items causing this difference are as follows:

	December 31, 2009
Pretax net income (loss)	$ 270,973,487
Taxes at statutory rate	$ 94,840,720
Increase (decrease) attributable to:	
Nontaxable investment income	(33,668,938)
Other	735,717
Total statutory income taxes	$ 61,907,499
Federal and foreign taxes incurred	$ 58,716,207
Change in net deferred taxes	3,191,292
Total statutory income taxes	$ 61,907,499
Effective tax rate	22.8%

E. 1. The Company has no operating loss or tax credit carryforwards available for tax purposes.

2. The Company has $58,296,591 and $47,449,826 of federal income tax from the current and prior tax year respectively, available for recoupment in the event of future losses.

3. The Company has no protective tax deposits with the Internal Revenue Service under Section 6603 of the Internal Revenue Service Code.

F. 1. The Company is included in a consolidated federal income tax return with its ultimate parent company, The Travelers Companies, Inc. (TRV). A list of the entities included with the Company in a consolidated federal income tax return filing is attached.

2. The Company is a party to a tax allocation agreement that sets forth the manner in which total consolidated federal income tax is allocated among companies included in the consolidated return. Member companies included in the TRV consolidated return are allocated taxes annually based upon their separate taxable income. Companies with a current federal income tax receivable from TRV will receive settlement to the extent that such receivables are for tax benefits that have been utilized in the consolidated federal income tax return. Member companies are reimbursed by TRV in the event the Internal Revenue Service levies upon a member's assets for unpaid taxes in excess of the amount specifically allocated to a member.

In the event that the consolidated group develops an Alternative Minimum Tax (AMT), each company with an AMT on a separate company basis will be allocated a portion of the consolidated AMT. Settlement of the AMT will be made in the same manner and timing as the regular federal income tax.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES AND OTHER RELATED PARTIES

A-C. (1) In December 2008, the Company made a capital contribution of $25 million to its subsidiary Discover Re Managers, Inc.

Schedule Y - Part 2 summarizes the net flow of funds among affiliates for various types of transactions between affiliates. Regulatory prior approval and/or prior notification has been satisfied for any transaction requiring such action.

The following are general business arrangements that result in or are used for transactions with affiliates in the normal course of business:

1. The principal banking functions for the property-casualty operations of TRV and some or all of its affiliated property-casualty insurance companies are handled by The Travelers Indemnity Company (Indemnity). Settlements between the companies are made at least monthly.

2. TRV maintains a private short-term investment pool, known as the Travelers Money Market Liquidity Pool (TRVMMLP), in which affiliated companies may participate. This pool is managed by Indemnity. Each company may convert its position in the pool into cash at any time and may also use its position in the pool to settle transactions with other affiliated participants in the pool. The position of each company in the pool is calculated and adjusted daily. Each participating insurance company carries its share of the pool as a short-term investment in Schedule DA. At December 31, 2009 and 2008, the TRVMMLP totaled $4.6 billion and $4.9 billion, respectively.

D. (1) At December 31, 2009 and 2008, the Company had $35,398,660 and $9,858,701 receivable from affiliates, respectively. Accounts between and among the Company and its affiliates are settled on a daily basis through the TRVMMLP or cash. Any items open at the end of the month are settled in the following month.

(2) The Company adopted the amended guidance in SSAP No. 63 during 2008. The changes to SSAP No. 63 continue to permit the net settlement of balances resulting from an intercompany reinsurance agreement providing there is a contractual right of offset provision, but require the related amounts resulting from the reinsurance contract to be reported as an asset and/or liability.

As described in Note 25, the Company participates in an intercompany reinsurance agreement with affiliates. The Company is a party to a master netting agreement with its affiliates and continues to settle amounts due to/from affiliates on a net basis in accordance with SSAP No. 63. As a result of the change in guidance, the Company reported the respective amounts resulting from the affiliated reinsurance contracts on a gross basis as an aggregate write-in asset or liability (see Note 25).

E. The Company is a partner in a real estate joint venture. TRV is the guarantor of certain debt of the real estate joint venture. The Company entered into an agreement to reimburse TRV in the event that TRV is required to make payments under the guarantee. The Company has recorded a liability of $13,237,004 on the balance sheet as of December 31, 2009 under this reimbursement agreement.

F. Material management or service contracts and cost sharing arrangements, involving the Company or any affiliate, other than cost allocation arrangements:

TYPE OF CONTRACT AND DESCRIPTION	SERVICING COMPANY	OTHER PARTY
Expense Allocation	The Travelers Indemnity Company	Travelers P&C[1]
Reinsurance Allocation	The Travelers Indemnity Company	Travelers P&C[1]

[1] "Travelers P&C[1]" includes The Travelers Indemnity Company and some or all of its insurance subsidiaries and affiliates.

G. All of the issued and outstanding common stock of the Company is owned by St. Paul Fire and Marine Insurance Company (Fire and Marine), an insurance company domiciled in Minnesota. The Company is a member of TRV, the organization of which is shown in Schedule Y - Part 1.

H. Not applicable.

I. Not applicable.

J. Not applicable.

K. Not applicable.

L. Not applicable.

11. DEBT

Not applicable.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

A. Defined Benefit Plans:

Not applicable.

B. Defined Contribution Plans:

Not applicable.

C. Multiemployer Plans:

Not applicable.

D. Consolidated/Holding Company Plans:

1. Employee Retirement Plans:

The Company participates in a qualified noncontributory defined benefit pension plan in the form of a cash balance sponsored by TRV for substantially all employees of the Company and its property-casualty affiliates. In addition the Company participates in a nonqualified defined benefit pension plan sponsored by TRV which covers certain highly-compensated employees of the Company and its property-casualty affiliates. The Company has no legal obligation for benefits under these plans. The Company is charged for its allocable share of pension expense for these plans based on its allocated and/or direct salary costs in accordance with an expense allocation agreement. The Company's allocated share of the pension expense was $1,943,526 and $1,505,294 for 2009 and 2008, respectively.

2. Postretirement Benefit Plan:

The Company participates in a health care and life insurance benefit plan sponsored by TRV for employees of the Company and its property-casualty affiliates that satisfy certain age and service requirements and for certain retirees. The Company has no legal obligation for benefits under this plan. The Company is charged for its allocable share of postretirement benefit expense for this plan based on its allocated and/or direct salary costs in accordance with an expense allocation agreement. The Company's allocated share of the postretirement benefit expense was $623,821 and $416,512 for 2009 and 2008, respectively.

3. Deferred Compensation Plans:

The Company participates in a 401(k) savings plan sponsored by TRV for substantially all employees of the Company and its property-casualty affiliates. The Company has no legal obligation for benefits under this plan. The Company is charged for its allocable share of expense for this plan based on its allocated and/or direct salary costs in accordance with an expense allocation agreement. The Company's allocated share of the 401(k) savings plan expense was $3,917,578 and $3,595,919 for 2009 and 2008, respectively.

E. Postemployment Benefits and Compensated Absences:

Not applicable.

F. Impact of Medicare Modernization Act on Postretirement Benefits:

Not applicable.

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

The Company has 2,000,000 shares of common capital stock authorized and 1,408,563 shares of common stock issued and outstanding with a par value of $25 per share.

Dividends to shareholders and the proportion of the profits of the Company that may be paid to shareholders are not limited by charter. The maximum amount of dividends which can be paid by Connecticut insurance companies to shareholders without prior approval of the domiciliary Insurance Commissioner is subject to restrictions relating to statutory surplus or net income. The maximum amount of dividends to shareholders that can be made during 2010 without prior approval is $246,403,000.

There are no restrictions on the use of the Company's unassigned surplus and such surplus is held for the benefit of the shareholder.

The change in the balance of special surplus from retroactive reinsurance is a result of ongoing activity occurring in 2009. See Note 22F for additional detail. In addition, special surplus was generated in 2009 from the Company's adoption of SSAP No. 10R. These additional admitted DTA's are segregated as an aggregate write-in for special surplus funds. See Note 9 for additional detail.

Unassigned funds or surplus has been increased by cumulative net unrealized gains of $344,674,252.

14. CONTINGENCIES

A. Contingent Commitments:

Not applicable.

B. Assessments:

The Company has accrued liabilities of $12.9 million for guaranty fund and other insurance-related assessments (primarily second injury fund assessments) and related recoverables of $260 thousand at December 31, 2009. The assessments are expected to be paid over a period ranging from one year to the life expectancy of certain workers' compensation claimants and the recoverables are expected to occur over the same period of time.

At December 31, 2009, the Company had no assessment liability related to the Texas Windstorm Insurance Association. A premium tax recoverable asset of $686 thousand related to 2008 payments remains and is expected to be realized over a period of four or more years.

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 has purchased annuities from life insurance companies to fund structured settlements. For a discussion of the Company's contingent liabilities for structured settlements, see Note 26.

In the process of selling business entities to third parties, the Company has agreed to indemnify purchasers for losses arising out of breaches of representations and warranties with respect to the business entities being sold, covenants and obligations of the Company and/or its subsidiaries following the close, and in certain cases obligations arising from undisclosed liabilities, imposition of additional taxes due to either a change in the tax law or an adverse interpretation of the tax law. Such indemnification provisions generally survive for periods ranging from the applicable closing date to the expiration of the relevant statutes of limitations, no term or in some cases agreed upon limitations. Certain of these contingent obligations are subject to deductibles which have to be incurred by the obligee before the Company is obligated to make payments.

In the ordinary course of business, the Company is a defendant or codefendant in various litigation matters. Although there can be no assurances, as of December 31, 2009, the Company believes, based on information currently available, that the ultimate resolution of these legal proceedings would not be likely to have a material adverse effect on its net income, financial condition or liquidity.

For a discussion of contingencies related to asbestos and environmental reserves, see Note 32.

15. LEASES

A. Lessee Leasing Arrangements:

1. At December 31, 2009, the Company is a party to various lease agreements for office space and office equipment. The office space and office equipment leases are for various periods of time. Total rental expense under operating leases for the Company for 2009 and 2008 was $1,979 and $5,749, respectively. Rental expenses incurred by the Company are subject to an intercompany expense allocation agreement.

   There are numerous leases with renewal terms, none of which are material to the Company.

2. Aggregate future minimum rental payments for leases having initial or remaining noncancelable lease terms in excess of one year for the Company totaled $4,996,280 at December 31, 2009. Future minimum rental payments for each of the four succeeding years are as follows:

Year	Operating Leases
2010	$ 3,151,484
2011	1,717,452
2012	72,146
2013	55,198

   At December 31, 2009, aggregate future minimum rental payments to be received by the Company under noncancelable subleases totaled $593,588.

3. Sale-Leaseback Transactions:

   Not applicable.

B. Lessor's Business Activities:

Leasing is not a significant part of the Company's business activities.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE-SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

Not applicable.

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

A. Transfers of Receivables Reported as Sales:

Not applicable.

B. Transfer and Servicing of Financial Assets:

The Company engages in securities lending activities from which it generates net investment income from the lending of certain of its investments to other institutions for short periods of time. Borrowers of these securities provide collateral equal to at least 102% of the market value of the loaned securities plus accrued interest. This collateral is held by a third party custodian, and the Company has the right to access the collateral only in the event that the institution borrowing the Company's securities is in default under the lending agreement. Therefore, the Company does not recognize the receipt of the collateral held by the third party custodian or the obligation to return the collateral. The loaned securities remain a recorded asset of the Company. The Company accepts only cash as collateral for securities on loan and restricts the manner in which that cash is invested to U.S. Treasury repurchase agreements. See Schedule LS for additional information.

C. Wash Sales:

Not applicable.

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

Not applicable.

19. DIRECT PREMIUMS WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

The Company did not have any direct premiums written through managing general agents (as defined in Appendix A-225 of the NAIC *Accounting Practices and Procedures Manual*) or third party administrators.

20. OTHER ITEMS

A. Extraordinary Items:

Not applicable.

B. Troubled Debt Restructuring:

Not applicable.

NOTES TO FINANCIAL STATEMENTS

C. Other Disclosures:

Effective December 15, 2009, the Company changed its state of domicile from Maryland to Connecticut. All required regulatory approvals were obtained by the Company.

The Company elected to use rounding in reporting amounts in this statement.

2009 Schedule P:

The 1999 and prior "Total Net Losses and Expenses Unpaid" (Schedule P - Part 1, Column 24, Line 1) is separately reported to accident year as follows (in thousands):

			Accident Years		
Schedule P	1999	1998	1997	1996	1995 & Prior
Part 1A	$ (1)	$ 29	$ 48	$ 18	$ 173
Part 1B	(58)	61	65	42	12,397
Part 1C	354	136	(51)	90	579
Part 1D	14,786	16,316	12,972	11,300	149,291
Part 1E	3,263	2,201	1,512	1,116	14,289
Part 1F - Section 1	172	40	49	36	643
Part 1F - Section 2	813	368	472	383	924
Part 1G	192	146	128	94	775
Part 1H - Section 1	6,599	3,874	1,970	2,278	115,685
Part 1H - Section 2	1,063	524	624	502	3,069
Part 1M	31	-	-	-	9
Part 1N	197	110	97	37	124
Part 1O	3,284	2,504	1,118	740	26,664
Part 1P	113	50	61	47	18
Part 1R - Section 1	2,991	1,150	992	978	58,301
Part 1R - Section 2	95	17	68	34	419

The following loss and/or LAE reserves have been assumed / (ceded) under retroactive reinsurance agreements. They are reported here by line of business and accident year to facilitate loss discounting under Internal Revenue Code Section 846 (in thousands):

	2002	2001	2000	1999	1998	1997	1996	1995	1994
Commercial Auto	$ (44)	$ (74)	$ (7)	$ -	$ -	$ -	$ -	$ -	$ -
Workers' Compensation	(445)	(298)	(84)	(2,819)	-	(64)	-	-	-
Commercial Multiple Peril	-	-	-	-	-	-	-	-	-
Medical Malpractice – CM	-	-	(2,049)	-	-	-	-	-	-
Special Liability	(1)	-	-	-	-	-	-	-	-
Other Liability – Occ	(369)	-	-	-	-	-	-	-	(9)
Other Liability – CM	-	(588)	-	-	-	-	-	-	-
Special Property	(4)	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Reinsurance A	(34)	-	-	-	-	-	-	-	-
Reinsurance B	(422)	-	-	-	-	-	-	-	-

D. Uncollectible Premium Balances:

Not applicable.

E. Business Interruption Insurance Recoveries:

Not applicable.

F. State Transferable Tax Credits:

Not applicable.

G. Subprime Mortgage Related Risk Exposure:

The Company defines exposure to subprime mortgage-backed securities as investments which contain loans to borrowers that exhibit one or more of the following characteristics at the time of issuance:

- low FICO scores,
- above prime interest rates,
- high loan-to-value ratios,
- high debt-to-income ratios,
- low loan documentation (e.g. limited or no verification of income and assets), or
- other characteristics that are inconsistent with conventional underwriting standards employed by government sponsored mortgage entities.

In addition, because of their high loan-to-value ratios, the Company has categorized second-lien mortgage-backed securities as subprime, regardless of the credit characteristics of the borrower on the underlying mortgage.

The Company reviews the credit characteristics of the loans that back these mortgage-backed securities when making the determination to categorize them as subprime exposure. Since the primary purpose of the investment portfolio is to fund future claim payments, the Company employs a conservative investment philosophy. In applying this philosophy to structured securities, including subprime mortgage-backed securities, the Company favors the purchase of senior credit tranches over junior or leveraged credit tranches.

Overall exposure to subprime mortgage-backed securities is sufficiently small in that the Company would likely have other securities available for liquidity needs. The Company utilizes discounted cash flow valuation analysis in its regular, ongoing review of its existing subprime mortgage portfolio, as well as in its analysis of subprime mortgage-backed bonds for purchase. Based upon the credit performance of mortgages within each securitization, the Company projects voluntary prepayments, defaults and loss severity to estimate any expected losses.

Exposure through investments in subprime securities directly held by the Company is as follows:

a. Actual cost	$6,714,864
b. Book adjusted carrying value	10,419,725
c. Fair value	10,426,383
d. Other-than-temporary impairments	1,044,849

21. EVENTS SUBSEQUENT

Not applicable.

NOTES TO FINANCIAL STATEMENTS

22. REINSURANCE

A. Unsecured Reinsurance Recoverables:

1. Affiliated Company Recoverables:

The Company participates in the Travelers Reinsurance Pool (TRV Pool) (see Note 25) and/or other reinsurance programs with affiliates and takes credit for reinsurance ceded directly and indirectly to these companies. The unsecured aggregate recoverables for ceded losses, loss adjustment expenses and unearned premiums at December 31, 2009, in connection with reinsurance agreements among affiliated insurers, were as follows:

Reinsurance balances ceded to affiliates and recoverable by The Travelers Indemnity Company (06-0566050):

Company	F.E.I.N.	Amount
St. Paul Fire and Marine Insurance Company	41-0406690	$ 11,032,692,004
Travelers Casualty and Surety Company	06-6033504	9,058,268,452
The Phoenix Insurance Company	06-0303275	2,224,118,484
The Standard Fire Insurance Company	06-6033509	2,152,946,693
United States Fidelity and Guaranty Company	52-0515280	1,962,111,332
Travelers Casualty Insurance Company of America	06-0876835	1,214,515,655
Farmington Casualty Company	06-1067463	658,339,071
The Automobile Insurance Company of Hartford, Connecticut	06-0848755	609,408,465
The Travelers Indemnity Company of Connecticut	06-0336212	609,408,465
The Charter Oak Fire Insurance Company	06-0291290	564,926,095
Northland Insurance Company	41-6009967	542,690,364
St. Paul Surplus Lines Insurance Company	41-1230819	391,444,853
The Travelers Indemnity Company of America	58-6020487	342,514,247
St. Paul Protective Insurance Company	36-2542404	257,997,744
Northfield Insurance Company	41-0983992	231,308,322
Travelers Casualty Company of Connecticut	06-1286266	209,067,137
Travelers Commercial Casualty Company	95-3634110	209,067,137
Travelers Commercial Insurance Company	06-1286268	209,067,137
St. Paul Mercury Insurance Company	41-0881659	177,929,476
Travelers Property Casualty Company of America	36-2719165	160,136,531
Travelers Property Casualty Insurance Company	06-1286274	133,447,109
Athena Assurance Company	41-1435765	128,998,873
St. Paul Medical Liability Insurance Company	41-1435766	128,998,873
Travelers Personal Security Insurance Company	06-1286264	120,102,398
Travelers Personal Insurance Company	36-3703200	120,102,398
Travelers Excess and Surplus Lines Company	06-1203698	120,102,398
TravCo Insurance Company	35-1838077	120,102,398
The Travelers Home and Marine Insurance Company	35-1838079	120,102,398
Discover Property & Casualty Insurance Company	36-2999370	62,275,318
Discover Specialty Insurance Company	52-1925132	62,275,318
Northland Casualty Company	94-6051964	62,275,318
Fidelity and Guaranty Insurance Underwriters, Inc.	52-0616768	44,482,369
American Equity Specialty Insurance Company	86-0868106	44,482,369
St. Paul Guardian Insurance Company	41-0963301	44,482,369
Total		$ 34,130,187,570

Reinsurance balances assumed by The Travelers Indemnity Company and recoverable by the following affiliated insurers:

Company	F.E.I.N.	Amount
Travelers Property Casualty Company of America	36-2719165	$ 8,878,009,110
St. Paul Fire and Marine Insurance Company	41-0406690	7,929,726,233
Travelers Casualty and Surety Company	06-6033504	4,448,210,363
United States Fidelity and Guaranty Company	52-0515280	2,842,379,459
The Travelers Indemnity Company of America	58-6020487	2,505,407,835
St. Paul Mercury Insurance Company	41-0881659	2,353,813,082
The Travelers Indemnity Company of Connecticut	06-0336212	2,325,601,866
The Charter Oak Fire Insurance Company	06-0291290	1,978,632,366
The Standard Fire Insurance Company	06-6033509	1,794,787,844
The Phoenix Insurance Company	06-0303275	1,601,694,247
The Travelers Home and Marine Insurance Company	35-1838079	1,225,224,985
Discover Property & Casualty Insurance Company	36-2999370	900,601,147
Travelers Casualty Insurance Company of America	06-0876835	814,770,798
The Automobile Insurance Company of Hartford, Connecticut	06-0848755	782,436,832
St. Paul Surplus Lines Insurance Company	41-1230819	739,229,963
Northland Insurance Company	41-6009967	651,457,145
Farmington Casualty Company	06-1067463	497,794,928
Travelers Property Casualty Insurance Company	06-1286274	298,018,983
St. Paul Guardian Insurance Company	41-0963301	271,588,342
TravCo Insurance Company	35-1838077	241,998,880
Travelers Commercial Insurance Company	06-1286268	228,129,749
Northfield Insurance Company	41-0983992	197,833,053
Fidelity and Guaranty Insurance Underwriters, Inc.	52-0616768	189,409,317
Travelers Excess and Surplus Lines Company	06-1203698	166,996,669
St. Paul Protective Insurance Company	36-2542404	145,402,383
Travelers Commercial Casualty Company	95-3634110	135,691,194
Travelers Personal Security Insurance Company	06-1286264	107,583,943
Travelers Personal Insurance Company	36-3703200	95,662,774
Travelers Casualty Company of Connecticut	06-1286266	87,336,175
St. Paul Medical Liability Insurance Company	41-1435766	71,051,867
Athena Assurance Company	41-1435765	39,093,036
Discover Specialty Insurance Company	52-1925132	29,363,863
Northland Casualty Company	94-6051964	19,077,720
American Equity Specialty Insurance Company	86-0868106	18,002,285
Total		$ 44,612,018,436

2. Unaffiliated Company Recoverables:

Not applicable.

B. Reinsurance Recoverable in Dispute:

Not applicable.

NOTES TO FINANCIAL STATEMENTS

C. Reinsurance Assumed and Ceded:

1.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
Affiliates	$ 376,124,801	$ 53,788,696	$ 88,504,301	$ 12,656,786	$ 287,620,500	$ 41,131,910
All Other	226,018	32,322	-	-	226,018	32,322
Total	$ 376,350,819	$ 53,821,018	$ 88,504,301	$ 12,656,786	$ 287,846,518	$ 41,164,232

Direct Unearned Premium Reserve $ 65,431,138

2. Accruals for contingent, sliding scale adjustment and other profit sharing commissions, net of reinsurance assumed and ceded, amounted to $2,691,999 at December 31, 2009. This balance represents the Company's 4.41% pro rata share of the net amount of the TRV Pool (see Note 25):

Direct Business	$ -
Add: Reinsurance Assumed	2,691,999
Less: Reinsurance Ceded	-
Net	$ 2,691,999

D. Uncollectible Reinsurance:

Not applicable.

E. Commutation of Ceded Reinsurance:

Not applicable.

F. Retroactive Reinsurance:

1.

	Assumed	Ceded
a. Reserves Transferred:		
(1) Initial Reserves	$ 414,540	$ 21,419,188
(2) Adjustments - Prior Year(s)	68,473	9,118,826
(3) Adjustments - Current Year	(94,588)	(537,227)
(4) Current Total	$ 388,425	$ 30,000,787
b. Consideration Paid or Received:		
(1) Initial Consideration	$ 461,069	$ 18,968,691
(2) Adjustments - Prior Year(s)	-	2,366,009
(3) Adjustments - Current Year	-	(290)
(4) Current Total	$ 461,069	$ 21,334,410
c. Paid Losses Reimbursed or Recovered:		
(1) Prior Year(s)	$ 277,572	$ 19,991,368
(2) Current Year	8,303	2,598,434
(3) Current Total	$ 285,875	$ 22,589,802
d. Special Surplus From Retroactive Reinsurance:		
(1) Initial Surplus Gain or Loss	$ 46,529	$ 2,450,497
(2) Adjustments - Prior Year(s)	(68,473)	6,752,817
(3) Adjustments - Current Year	94,588	(536,937)
(4) Current Year Restricted Surplus	$ 178,829	$ 6,372,479
(5) Cumulative Total Transferred to Unassigned Funds	$ (106,185)	$ 2,293,898

e. List the other insurers included in the above transactions:

Company	Assumed	Ceded
Munich Reinsurance America, Inc. (10227)	$ 282,240	$ -
Parktown Insurance Company Ltd.	106,185	-
Commercial Risk Re-Insurance Co. (27955)	-	582,120
Everest Reinsurance Co. (26921)	-	3,210
XL Reinsurance America (13-1290712)	-	3,111,420
General Reinsurance Corporation (22039)	-	13,230,000
nSpire Re Limited (AA-1784124)	-	3,516,267
Platinum Underwriters Reinsurance Inc. (10357)	-	4,244,751
Various	-	5,313,019
Total	$ 388,425	$ 30,000,787

d. Paid Loss/LAE Recoverable:

Company	Paid Loss/LAE Recoverables	Amount Over 90 Days Past Due	Collateral Held
Platinum Underwriters Reinsurance Inc. (10357)	$ 24,498	$ -	$ -
nSpire Re Limited (AA-178412)	-	-	892,845
Various	75,990	59	7,089
Total	$ 100,488	$ 59	$ 899,934

G. Reinsurance Accounted for as a Deposit:

Not applicable.

23. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

A. Accrued retrospective premiums (Page 2, Line 13.3) have been determined based upon loss experience on business subject to such experience rating adjustment. Accrued retrospectively rated premiums, including all of those relating to bulk IBNR, have been determined by or allocated to individual policyholder accounts. Ten percent of the amount not offset by retrospective return premiums, other liabilities to the same party (other than loss and loss expense reserves), or collateral as permitted by SSAP No. 66, *Retrospectively Rated Contracts*, has been nonadmitted. The amount shown in Part D below is the Company's proportionate share of the accrued retrospective premiums of the TRV Pool (see Note 25).

B. The Company records accrued retrospective premium as an adjustment to earned premium.

C. See Schedule P - Part 7A.

D. Calculation of nonadmitted retrospective premium:

1.	Total accrued retrospective premium	$ 21,410,991
2.	Unsecured amount	894,994
3.	Less: Nonadmitted amount (10%)	89,500
4.	Admitted amount (1) - (3)	$ 21,321,491

24. CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

In 2009, the prior year-end total loss and loss adjustment expense reserves developed favorably by $51,381,865, resulting from better than expected loss development for recent accident years in the other liability – occurrence, commercial multi-peril, homeowners, commercial auto liability, workers' compensation, and special property lines, partially offset by deterioration in the other liability – claims made line. The improvement in the other liability – occurrence and commercial multi-peril lines was attributable to several factors, including improved legal and judicial environments, as well as enhanced risk control, underwriting and claim process initiatives. This was partially offset by unfavorable development in asbestos and environmental reserves. The improvement in the homeowners line primarily reflected favorable loss experience related to Hurricanes Katrina and Ike, and the 2007 California wildfires. The commercial auto liability line of business experienced better than expected loss development which was attributable to more favorable legal and judicial environments, claim handling initiatives focused on the automobile line of insurance and improvements in auto safety technology. The favorable development in the workers' compensation line was attributable to improvement in adjusting and other loss adjustment expenses and better than expected experience for tabular claims. The improvement in the special property line reflected better than expected development for certain large property and inland marine exposures in the 2007 and 2008 accident years, and favorable litigation environment relating to, and ongoing claim settlements for, Hurricane Katrina. The deterioration in the other liability – claims made line resulted from unfavorable loss emergence for professional liability coverages, primarily errors & omissions (E&O).

The above changes include a reclassification of IBNR reserves: commercial auto liability and other liability – occurrence IBNR reserves have been decreased and increased by $4,542,300, respectively, to correct a classification error at December 31, 2008. This reclassification had no impact to total reserves.

The remaining changes are generally the result of ongoing analyses of recent loss data and trends. A portion of the change from prior year effects relates to retrospectively rated policies and will not have a material impact on surplus due to accompanying premium adjustments.

25. INTERCOMPANY POOLING ARRANGEMENTS

The Company is a participant in the TRV Pool, an intercompany pooling arrangement. The lead company of the TRV Pool is Indemnity. Under the terms of the arrangement, the property-casualty underwriting risks for substantially all lines of business of the intercompany pool participants are reinsured with Indemnity. The pool of net underwriting risks remaining after reinsurance is transacted with third parties by Indemnity is then retroceded to the pool participants based on pool participation percentages. The provision for reinsurance and the write-off of uncollectible reinsurance are reported in the statutory financial statements of Indemnity and are not allocated to the other pool participants.

The names, NAIC company codes and intercompany pool percentages of the companies participating in the TRV Pool are as follows:

TRV Pool Participant	NAIC Company Code	Pool Participation %
St. Paul Fire and Marine Insurance Company	24767	24.79
The Travelers Indemnity Company	25658	23.29
Travelers Casualty and Surety Company	19038	20.36
The Phoenix Insurance Company	25623	5.00
The Standard Fire Insurance Company	19070	4.84
United States Fidelity and Guaranty Company	25887	4.41
Travelers Casualty Insurance Company of America	19046	2.73
Farmington Casualty Company	41483	1.48
The Automobile Insurance Company of Hartford, Connecticut	19062	1.37
The Travelers Indemnity Company of Connecticut	25682	1.37
The Charter Oak Fire Insurance Company	25615	1.27
Northland Insurance Company	24015	1.22
St. Paul Surplus Lines Insurance Company	30481	0.88
The Travelers Indemnity Company of America	25666	0.77
St. Paul Protective Insurance Company	19224	0.58
Northfield Insurance Company	27987	0.52
Travelers Casualty Company of Connecticut	36170	0.47
Travelers Commercial Casualty Company	40282	0.47
Travelers Commercial Insurance Company	36137	0.47
St. Paul Mercury Insurance Company	24791	0.40
Travelers Property Casualty Company of America	25674	0.36
Travelers Property Casualty Insurance Company	36161	0.30
Athena Assurance Company	41769	0.29
St. Paul Medical Liability Insurance Company	41750	0.29
TravCo Insurance Company	28188	0.27
Travelers Excess and Surplus Lines Company	29696	0.27
The Travelers Home and Marine Insurance Company	27998	0.27
Travelers Personal Security Insurance Company	36145	0.27
Travelers Personal Insurance Company	38130	0.27
Discover Property & Casualty Insurance Company	36463	0.14
Discover Specialty Insurance Company	10213	0.14
Northland Casualty Company	24031	0.14
American Equity Specialty Insurance Company	10819	0.10
Fidelity and Guaranty Insurance Underwriters, Inc.	25879	0.10
St. Paul Guardian Insurance Company	24775	0.10

All of the above TRV Pool companies are party to reinsurance agreements with non-affiliated reinsurers covering business subject to the pooling agreement and have contractual rights of direct recovery from the non-affiliated reinsurers under the terms of such reinsurance agreements.

As of December 31, 2009 the Company had $61,743,005 payable to Indemnity as a result of its intercompany pooling transactions which settled in January 2010.

26. STRUCTURED SETTLEMENTS

The Company has purchased annuities from life insurance companies, under which the claimant is the payee and the Company is the owner of the annuity contract, to fund structured settlements. These annuity contracts are now the direct responsibility of the life insurance companies from whom they have been purchased and claims settled by the purchase of such annuity contracts are treated as closed claims.

NOTES TO FINANCIAL STATEMENTS

The following life insurance companies held reserves at December 31, 2009, for structured settlement annuities purchased by members of the TRV Pool (see Note 25), of which $132,181,320 is attributable to the Company:

Life Insurance Company and Location	Licensed in Company's State of Domicile	Statement Value of Annuities
OM Financial Life Insurance Company, Baltimore, MD	Yes	$674,237,376
MetLife Insurance Company of Connecticut, Bloomfield, CT	Yes	456,953,309
Genworth Life and Annuity Insurance Company, Richmond, VA	Yes	264,252,171
Symetra Life Insurance Company, Bellevue, WA	Yes	257,419,546
All other companies		1,344,446,436

27. HEALTH CARE RECEIVABLES

Not applicable.

28. PARTICIPATING POLICIES

Not applicable.

29. PREMIUM DEFICIENCY RESERVES

As of December 31, 2009, the Company had liabilities of $0 related to premium deficiency reserves. See Note 1 Part C, regarding the consideration of investment income in the calculation of this premium deficiency reserve.

30. HIGH DEDUCTIBLES

At December 31, 2009, the amount of reserve credit recorded by the Company for high deductible policies on unpaid claims was $348,194,650 and the amount billed and outstanding on paid claims was $3,157,900. These amounts represent the Company's proportionate share of the TRV Pool (see Note 25).

31. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES

A. Except for certain third party administered claims, tabular workers' compensation case reserves have been discounted in accordance with the various state laws under which the benefits are paid. The tabular case reserves, as included in Schedule P, reflect a discount rate of 3.5% or as specified by state requirements, generally using the following United States Life Tables:

Non-Fatal Cases:
United States Life Tables Total Population 1969-71 – MI
United States Life Tables Total Population 1979-81 – TX
United States Life Tables Total Population 1999 – FL, NJ & NY
United States Life Tables Total Male or Total Female 1989-91 – CA
United States Life Tables Total Male or Total Female 2003 – MA
United States Life Tables Total Male or Total Female 2000 – MN
United States Life Tables Total Male or Total Female 1999 – all other states

Fatal Cases:
United States Life Tables Total Female 1969-71 – MI *
United States Life Tables Total Female 1979-81 – TX *
United States Life Tables Total Female 1989-91 – CA *
United States Life Tables Total Female 2003 – MA *
* and the 1979 NCCI Remarriage Table
New York Mandated Mortality & Remarriage Table – NY
United States Life Tables Total Female 2000 – MN **
United States Life Tables Total Female 1999 – all other states **
** and the Railroad Retirement Board Remarriage Table

Other liability reserves relating to excess coverage on workers' compensation life table claims have been discounted on the same basis as workers' compensation reserves.

The Company's develops loss reserve estimates for workers' compensation tabular claims that are expectations of what the ultimate settlement costs for these claims will be upon final resolution in the future. These estimates are based on the Company's assessment of facts and circumstances currently known and, using Company experience, multiple actuarial estimation methods. This includes estimates of payment patterns reflecting actual mortality, morbidity and settlement history that relate both to claims currently identified as tabular as well as claims not yet identified as tabular ("IBNR" tabular) . The total reserves and the corresponding discount that the Company has established for these claims reflects these multiple estimation methods, payment patterns and a discount rate of 5%. The liabilities and discount amounts shown below reflect estimates of the ultimate liability for tabular claims. Furthermore, the case vs. IBNR discount amounts shown below each reflects estimates of the ultimate resolution costs for these claims: case amounts for claims already identified as tabular; IBNR amounts for claims yet to be identified as tabular.

The December 31, 2009 liabilities of the Company and its affiliates listed below included the following amounts of such discounted liabilities:

Company	Workers' Compensation	Other Liability
St. Paul Fire and Marine Insurance Company	$ 425,707,279	$ 14,308,289
The Travelers Indemnity Company	399,948,467	13,442,522
Travelers Casualty and Surety Company	349,632,924	11,751,385
The Phoenix Insurance Company	85,862,702	2,885,900
The Standard Fire Insurance Company	83,115,096	2,793,551
United States Fidelity and Guaranty Company	75,730,903	2,545,364
Travelers Casualty Insurance Company of America	46,881,035	1,575,701
Farmington Casualty Company	25,415,360	854,226
The Automobile Insurance Company of Hartford, Connecticut	23,526,380	790,737
The Travelers Indemnity Company of Connecticut	23,526,380	790,737
The Charter Oak Fire Insurance Company	21,809,126	733,019
Northland Insurance Company	20,950,499	704,160
St. Paul Surplus Lines Insurance Company	15,111,836	507,918
The Travelers Indemnity Company of America	13,222,856	444,429
St. Paul Protective Insurance Company	9,960,073	334,764
Northfield Insurance Company	8,929,721	300,134
Travelers Casualty Company of Connecticut	8,071,094	271,275
Travelers Commercial Casualty Company	8,071,094	271,275
Travelers Commercial Insurance Company	8,071,094	271,275
St. Paul Mercury Insurance Company	6,869,016	230,872
Travelers Property Casualty Company of America	6,182,115	207,785
Travelers Property Casualty Insurance Company	5,151,762	173,154
St. Paul Medical Liability Insurance Company	4,980,037	167,382
Athena Assurance Company	4,980,037	167,382
TravCo Insurance Company	4,636,586	155,839
Travelers Excess and Surplus Lines Company	4,636,586	155,839

The Travelers Home and Marine Insurance Company	4,636,586	155,839
Travelers Personal Insurance Company	4,636,586	155,839
Travelers Personal Security Insurance Company	4,636,586	155,839
Discover Property & Casualty Insurance Company	2,404,156	80,805
Discover Specialty Insurance Company	2,404,156	80,805
Northland Casualty Company	2,404,156	80,805
American Equity Specialty Insurance Company	1,717,254	57,718
St. Paul Guardian Insurance Company	1,717,254	57,718
Fidelity and Guaranty Insurance Underwriters, Inc.	1,717,254	57,718
Total	$ 1,717,254,046	$ 57,718,000

The amount of tabular discount for workers' compensation and other liability reserves at December 31, 2009 was as follows:

Tabular Discount Included in Schedule P - Part 1

	Workers' Compensation		Other Liability	
Company	Case	IBNR	Case	IBNR
St. Paul Fire and Marine Insurance Company	$ 90,836,749	$122,212,840	$ 3,543,236	$ 3,915,086
The Travelers Indemnity Company	85,340,383	114,817,958	3,328,840	3,678,190
Travelers Casualty and Surety Company	74,604,130	100,373,277	2,910,055	3,215,455
The Phoenix Insurance Company	18,321,250	24,649,626	714,650	789,650
The Standard Fire Insurance Company	17,734,970	23,860,838	691,781	764,381
United States Fidelity and Guaranty Company	16,159,343	21,740,970	630,321	696,471
Travelers Casualty Insurance Company of America	10,003,403	13,458,696	390,199	431,149
Farmington Casualty Company	5,423,090	7,296,289	211,536	233,736
The Automobile Insurance Company of Hartford, CT	5,020,023	6,753,998	195,814	216,364
The Travelers Indemnity Company of Connecticut	5,020,023	6,753,998	195,814	216,364
The Charter Oak Fire Insurance Company	4,653,598	6,261,005	181,521	200,571
Northland Insurance Company	4,470,385	6,014,509	174,375	192,675
St. Paul Surplus Lines Insurance Company	3,224,540	4,338,334	125,778	138,978
The Travelers Indemnity Company of America	2,821,473	3,796,042	110,056	121,606
St. Paul Protective Insurance Company	2,125,265	2,859,357	82,899	91,599
Northfield Insurance Company	1,905,410	2,563,561	74,324	82,124
Travelers Casualty Company of Connecticut	1,722,198	2,317,065	67,177	74,227
Travelers Commercial Casualty Company	1,722,198	2,317,065	67,177	74,227
Travelers Commercial Insurance Company	1,722,198	2,317,065	67,177	74,227
St. Paul Mercury Insurance Company	1,465,700	1,971,970	57,172	63,172
Travelers Property Casualty Company of America	1,319,130	1,774,773	51,455	56,855
Travelers Property Casualty Insurance Company	1,099,275	1,478,978	42,879	47,379
St. Paul Medical Liability Insurance Company	1,062,633	1,429,678	41,450	45,800
Athena Assurance Company	1,062,633	1,429,678	41,450	45,800
TravCo Insurance Company	989,348	1,331,080	38,591	42,641
Travelers Excess and Surplus Lines Company	989,348	1,331,080	38,591	42,641
The Travelers Home and Marine Insurance Company	989,348	1,331,080	38,591	42,641
Travelers Personal Insurance Company	989,348	1,331,080	38,591	42,641
Travelers Personal Security Insurance Company	989,348	1,331,080	38,591	42,641
Discover Property & Casualty Insurance Company	512,995	690,190	20,010	22,110
Discover Specialty Insurance Company	512,995	690,190	20,010	22,110
Northland Casualty Company	512,995	690,190	20,010	22,110
American Equity Specialty Insurance Company	366,425	492,993	14,293	15,793
St. Paul Guardian Insurance Company	366,425	492,993	14,293	15,793
Fidelity and Guaranty Insurance Underwriters, Inc.	366,425	492,993	14,293	15,793
Total	$366,425,000	$492,992,519	$14,293,000	$15,793,000

B. Non-tabular reserves have not been discounted.

C. In 2009, the Company changed payment pattern assumptions used in determining the ultimate discount amount. This change increased the amount of discount by a total of $27 million for the Companies shown above.

32. ABESTOS/ENVIRONMENTAL RESERVES

The following represents the Company's allocable share of the pooled property-casualty business of the TRV Pool, based on its pro rata participation percentage of 4.41%.

A. Does the Company have on the books or has it ever written an insured for which you have identified a potential for the existence of a liability due to asbestos losses? Yes (X) No ( )

Exposure for asbestos losses arises from liability coverage written many years ago. The exposures include bodily injury and property damage losses.

With respect to reserving procedures, the Special Liability Group staff members are in daily contact with each other on pending asbestos claim activities and anticipated development. The Company also conducts quarterly asbestos reserve reviews with representatives of the claim, legal, reinsurance, finance and actuarial areas to review asbestos trends and other relevant factors. Based on these reviews, asbestos reserves are established for the Company's future exposure. Beginning in 2007 the Company supplemented the existing annual in-depth asbestos claim review and the existing quarterly asbestos reserve review with additional aggregate quarterly reserve analyses. These additional analyses provide the Company with an increased ability to detect and respond to emerging trends in its quarterly reserve estimates.

Because each policyholder presents different liability and coverage issues, the Company generally reviews the exposure presented by each policyholder at least annually. In the course of this review, the Company generally considers, among other factors: available insurance coverage, including the role of any umbrella or excess insurance the Company has issued to the policyholder; limits and deductibles; an analysis of the policyholder's potential liability; the jurisdictions involved; past and anticipated future claim activity and loss development on pending claims; past settlement values of similar claims; allocated claim adjustment expense; potential role of other insurance; the role, if any, of non-asbestos claims or potential non-asbestos claims in any resolution process; and applicable coverage defenses or determinations, if any, including the determination as to whether or not an asbestos claim is a products/completed operation claim subject to an aggregate limit and the available coverage, if any, for that claim. For certain policyholders an estimate of the gross ultimate exposure for indemnity and related claim adjustment expense is determined, and for those policyholders the Company calculates, by each policy year, a ceded reinsurance projection based on any applicable facultative and treaty reinsurance, past ceded experience and reinsurance collections. Conventional actuarial methods are not utilized to establish asbestos reserves nor have the Company's evaluations resulted in any way of determining a meaningful average asbestos defense or indemnity payment.

The Company also reviews its historical gross and net loss and expense paid experience, year-by-year, to assess any emerging trends, fluctuations, or characteristics suggested by the aggregate paid activity.

In December 2008, the Company's affiliate, St. Paul Fire and Marine Insurance Company (Fire and Marine) sold Unionamerica. In conjunction with the sale Fire and Marine commuted its assumed intercompany reinsurance agreements with Unionamerica subsidiaries. As a result of these commutations and their impact on the TRV Pool, the Company's 2008 asbestos assumed calendar year paid losses increased by $8,731,800 and the Company's 2008 asbestos assumed incurred losses decreased by $1,499,400.

NOTES TO FINANCIAL STATEMENTS

1. Direct Basis - Asbestos:

	2005	2006	2007	2008	2009
a. Beginning reserves:	$ 180,098,000	$ 195,154,000	$ 182,984,000	$ 166,251,000	$ 136,830,000
b. Incurred losses and LAE:	34,303,000	8,596,000	(737,000)	2,766,000	7,056,000
c. Calendar year payments for losses and LAE:	19,247,000	20,766,000	15,996,000	32,187,000	15,478,000
d. Ending reserves:	$ 195,154,000	$ 182,984,000	$ 166,251,000	$ 136,830,000	$ 128,408,000

2. Assumed Reinsurance Basis - Asbestos:

	2005	2006	2007	2008	2009
a. Beginning reserves:	$ 21,504,000	$ 23,696,000	$ 22,339,000	$ 21,027,000	$ 8,568,000
b. Incurred losses and LAE:	5,679,000	463,000	739,000	(1,156,000)	1,102,000
c. Calendar year payments for losses and LAE:	3,487,000	1,820,000	2,051,000	11,303,000	1,624,000
d. Ending reserves:	$ 23,696,000	$ 22,339,000	$ 21,027,000	$ 8,568,000	$ 8,046,000

3. Net of Ceded Reinsurance Basis - Asbestos:

	2005	2006	2007	2008	2009
a. Beginning reserves:	$ 170,131,000	$ 191,984,000	$ 178,543,000	$ 164,554,000	$ 128,406,000
b. Incurred losses and LAE:	39,470,000	7,226,000	1,000	1,609,000	8,159,000
c. Calendar year payments for losses and LAE:	17,617,000	20,667,000	13,990,000	37,757,000	15,049,000
d. Ending reserves:	$ 191,984,000	$ 178,543,000	$ 164,554,000	$ 128,406,000	$ 121,516,000

B. Ending loss and LAE reserves for unreported claims included in Part A above:

1. Direct Basis:	$ 111,827,000
2. Assumed Reinsurance Basis:	$ 2,505,000
3. Net of Ceded Reinsurance Basis:	$ 103,919,000

C. Ending LAE reserves for reported and unreported claims included in Part A above:

1. Direct Basis:	$ 31,945,000
2. Assumed Reinsurance Basis:	$ 82,000
3. Net of Ceded Reinsurance Basis	$ 30,516,000

D. Does the Company have on the books or has it ever written an insured for which you have identified a potential for the existence of a liability due to environmental losses? Yes (X) No ( )

Exposure for environmental losses arises from liability coverage written many years ago. The exposures include bodily injury and property damage losses.

The Company's reserves for environmental claims are not established on a claim-by-claim basis. The Company carries an aggregate bulk reserve for all the Company's environmental claims that are in dispute, until the dispute is resolved. This bulk reserve is established and adjusted based upon the aggregate volume of in-process environmental claims and the Company's experience in resolving those claims and includes unresolved and incurred but not reported environmental claims for which the Company has not received any specific claims as well as for the anticipated cost of coverage litigation disputes relating to these claims. Case reserves are established solely for resolved claims.

The resolution of environmental exposures by the Company generally occurs by settlement on a policyholder-by-policyholder basis as opposed to a claim-by-claim basis. Generally, the Company strives to extinguish any obligations it may have under any policy issued to the policyholder for past, present and future environmental liabilities and extinguish any pending coverage litigation dispute with the policyholder. This form of settlement is commonly referred to as a "buy-back" of policies for future environmental liability. In addition, many of the agreements have also extinguished any insurance obligation which the Company may have for other claims, including but not limited to asbestos and other cumulative injury claims. The Company and its policyholders may also agree to settlements which extinguish any liability arising from known specified sites or claims. These agreements also include appropriate indemnities and hold harmless provisions to protect the Company. The Company's general purpose in executing these agreements is to reduce the Company's potential environmental exposure and eliminate the risks presented by coverage litigation with the policyholder and related costs.

In establishing environmental reserves, the Company evaluates the exposure presented by each policyholder and the anticipated cost of resolution, if any. In the course of this analysis, the Company generally considers the probable liability, available coverage, relevant judicial interpretations and historical value of similar exposures. In addition, the Company considers the many variables presented, such as the nature of the alleged activities of the policyholder at each site; the allegations of environmental harm at each site; the number of sites; the total number of potentially responsible parties at each site; the nature of environmental harm and the corresponding remedy at each site; the nature of government enforcement activities at each site; the ownership and general use of each site; the overall nature of the insurance relationship between the Company and the policyholder, including the role of any umbrella or excess insurance the Company has issued to the policyholder; the involvement of other insurers; the potential for other available coverage, including the number of years of coverage; the role, if any, of non-environmental claims or potential non-environmental claims in any resolution process; and the applicable law in each jurisdiction. Conventional actuarial techniques are not used to estimate these reserves.

In its review of environmental reserves, the Company considers: past settlement payments; changing judicial and legislative trends; its reserves for the costs of litigating environmental coverage matters; the potential for policyholders with smaller exposures to be named in new clean-up actions for both on- and off-site waste disposal activities; the potential for adverse development; the potential for additional new claims beyond previous expectations; and the potential higher costs for new settlements.

The Company also compares its historical direct and net loss and expense paid experience year-by-year, to access any emerging trends, fluctuations or characteristics suggested by the aggregate paid activity.

As a result of the commutations described above and their impact on the TRV Pool, the Company's 2008 environmental assumed calendar year paid losses increased by $1,234,800 and the Company's 2008 environmental assumed incurred losses decreased by $220,500.

1. Direct Basis - Environmental:

	2005	2006	2007	2008	2009
a. Beginning reserves:	$ 23,357,000	$ 14,916,000	$ 11,851,000	$ 15,886,000	$ 14,805,000
b. Incurred losses and LAE:	1,880,000	4,815,000	8,145,000	3,740,000	3,705,000
c. Calendar year payments for losses and LAE:	10,321,000	7,880,000	4,110,000	4,821,000	3,834,000
d. Ending reserves:	$ 14,916,000	$ 11,851,000	$ 15,886,000	$ 14,805,000	$ 14,676,000

2. Assumed Reinsurance Basis- Environmental:

	2005	2006	2007	2008	2009
a. Beginning reserves:	$ 6,539,000	$ 6,168,000	$ 5,817,000	$ 4,826,000	$ 2,815,000
b. Incurred losses and LAE:	190,000	68,000	11,000	(199,000)	44,000
c. Calendar year payments for losses and LAE:	561,000	419,000	1,002,000	1,812,000	374,000
d. Ending reserves:	$ 6,168,000	$ 5,817,000	$ 4,826,000	$ 2,815,000	$ 2,485,000

3. Net of Ceded Reinsurance Basis- Environmental:

	2005	2006	2007	2008	2009
a. Beginning reserves:	$ 27,387,000	$ 18,718,000	$ 18,452,000	$ 21,605,000	$ 18,246,000
b. Incurred losses and LAE:	2,176,000	5,334,000	8,155,000	3,542,000	3,088,000
c. Calendar year payments for losses and LAE:	10,845,000	5,600,000	5,002,000	6,901,000	3,997,000
d. Ending reserves:	$ 18,718,000	$ 18,452,000	$ 21,605,000	$ 18,246,000	$ 17,337,000

E. Ending loss and LAE reserves for unreported claims included in Part D above:

1. Direct Basis:	$ 14,362,000
2. Assumed Reinsurance Basis:	$ 1,361,000
3. Net of Ceded Reinsurance Basis	$ 16,113,000

F. Ending LAE reserves for reported and unreported claims included in Part D above:

1. Direct Basis:	$ 4,965,000
2. Assumed Reinsurance Basis:	$ 36,000
3. Net of Ceded Reinsurance Basis	$ 4,960,000

As a result of the processes and procedures described above, management believes that the reserves carried for asbestos and environmental claims at December 31, 2009 are appropriately established based upon known facts, current law and management's judgment. However, the uncertainties surrounding the final resolution of these claims continue, and it is difficult to determine the ultimate exposure for asbestos and environmental claims and related litigation. As a result, these reserves are subject to revision as new information becomes available and as claims develop. The continuing uncertainties include, without limitation, the risks and lack of predictability inherent in complex litigation, any impact from the bankruptcy protection sought by various asbestos producers and other asbestos defendants, a further increase or decrease in asbestos and environmental claims beyond that which is anticipated, the role of any umbrella or excess policies the Company has issued, the resolution or adjudication of disputes pertaining to the amount of available coverage for asbestos and environmental claims in a manner inconsistent with the Company's previous assessment of these claims, the number and outcome of direct actions against the Company, future developments pertaining to the Company's ability to recover reinsurance for asbestos and environmental claims and the unavailability of other insurance sources potentially available to policyholders, whether through exhaustion of policy limits or through the insolvency of other participating insurers. In addition, uncertainties arise from the insolvency or bankruptcy of policyholders and other defendants, although in recent years the Company has noted a decrease in the number and volatility of asbestos-related bankruptcies. It is also not possible to predict changes in the legal, regulatory and legislative environment and their impact on the future development of asbestos and environmental claims. This development will be affected by future court and regulatory decisions and interpretations, as well as changes in applicable legislation. It is also difficult to predict the ultimate outcome of complex coverage disputes until settlement negotiations near completion and significant legal questions are resolved or, failing settlement, until the dispute is adjudicated. This is particularly the case with policyholders in bankruptcy where negotiations often involve a large number of claimants and other parties and require court approval to be effective. As part of its continuing analysis of asbestos and environmental reserves, the Company continues to study the implications of these and other developments.

Because of the uncertainties set forth above, additional liabilities may arise for amounts in excess of the current related reserves. In addition, the Company's estimate of claims and claim adjustment expenses may change. These additional liabilities or increases in estimates, or a range of either, cannot now be reasonably estimated and could result in income statement charges that could be material to the Company's operating results in future periods.

33. SUBSCRIBER SAVINGS ACCOUNTS

Not applicable.

34. MULTIPLE PERIL CROP INSURANCE

Not applicable.

35. FINANCIAL GUARANTY INSURANCE

Not applicable.

NOTES TO FINANCIAL STATEMENTS

Attachment to the 2009 Annual Statement – Notes to Financial Statements, Note 9 – Part F:
Names of the companies included with TRV in the December 31, 2009, consolidated Federal income tax return filing

The Travelers Companies, Inc. (TRV) & Subsidiaries

Company Name	FEIN	Company Name	FEIN
350 MARKET STREET	41-1618103	ST. PAUL PROTECTIVE INSURANCE COMPANY	36-2542404
AE DEVELOPMENT GROUP, INC.	06-0952727	ST. PAUL RE (BERMUDA) LTD.	98-0114704
AE PROPERTIES, INC.	95-2798160	ST. PAUL SURPLUS LINES INSURANCE COMPANY	41-1230819
AMERICAN EQUITY INSURANCE COMPANY	86-0703220	TCI GLOBAL SERVICES, INC.	52-1965525
AMERICAN EQUITY SPECIALTY INSURANCE COMPANY	86-0868106	TCS EUROPEAN INVESTMENTS, INC.	06-1549972
ATHENA ASSURANCE COMPANY	41-1435765	THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CT	06-0848755
BMR SPORTS PROPERTIES, INC.	52-1852190	THE CHARTER OAK FIRE INSURANCE COMPANY	06-0291290
CAMPERDOWN CORPORATION	41-1762781	THE PHOENIX INSURANCE COMPANY	06-0303275
CAPTIVA, LTD.	98-0170615	THE PREMIER INSURANCE COMPANY OF MASSACHUSETTS	04-3175569
CASTLE PINES FIDELITY REALTY, INC.	52-1735211	THE STANDARD FIRE INSURANCE COMPANY	06-6033509
COMMERCIAL GUARANTY INSRUANCE COMPANY	75-1679830	THE TRAVELERS HOME AND MARINE INSURANCE COMPANY	35-1838079
CONSTITUTION PLAZA INC	06-0566030	THE TRAVELERS INDEMNITY COMPANY	06-0566050
COUNTERSIGNATURE AGENCY, INC.	06-1345091	THE TRAVELERS INDEMNITY COMPANY OF AMERICA	58-6020487
DISCOVER PROPERTY & CASUALTY INSURANCE COMPANY	36-2999370	THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT	06-0336212
DISCOVER RE MANAGERS, INC.	06-1288492	THE TRAVELERS LLOYDS INSURANCE COMPANY	76-0002592
DISCOVER SPECIALTY INSURANCE COMPANY	52-1925131	THE TRAVELERS MARINE CORPORATION	94-0338230
DISCOVERY MANAGERS, LTD.	06-1273933	TINDY FOREIGN, INC.	20-4403403
ENGLISH TURN FIDELITY REALTY, INC.	52-1466734	TINDY RE INVESTMENTS, INC.	06-1575463
ENGLISH TURN REALTY MANAGEMENT, INC.	52-1715225	TPC INVESTMENTS, INC.	06-1534005
FARMINGTON CASUALTY COMPANY	06-1067463	TRAVCO INSURANCE COMPANY	35-1838077
FIDELITY AND GUARANTY INSURANCE COMPANY	42-1091525	TRAVELERS LLOYDS OF TEXAS INSURANCE COMPANY	75-1732040
FIDELITY AND GUARANTY INSURANCE UNDERWRITERS, INC.	52-0616768	TRAVELERS (BERMUDA) LTD.	98-0190863
FIRST FLORIDIAN AUTO AND HOME INSURANCE COMPANY	59-3372141	TRAVELERS ALPHA HOLDINGS, INC.	06-1531058
FIRST TRENTON INDEMNITY COMPANY	22-3129711	TRAVELERS AUTO INSURANCE CO. OF NEW JERSEY	22-3499393
GULF UNDERWRITERS INSURANCE COMPANY	56-1371361	TRAVELERS CASUALTY AND SURETY COMPANY	06-6033504
JNO INDUSTRIAL, INC.	52-1802629	TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA	06-0907370
JUPITER HOLDINGS, INC.	41-1769846	TRAVELERS CASUALTY COMPANY OF CONNECTICUT	06-1286266
LAUREL VILLAGE FIDELITY REALTY, INC.	52-1551225	TRAVELERS CASUALTY INSURANCE COMPANY OF AMERICA	06-0876835
MOUNTAIN RIDGE INSURANCE COMPANY	52-1957776	TRAVELERS COMMERCIAL CASUALTY COMPANY	95-3634110
NORTHBROOK HOLDINGS, INC.	51-0375653	TRAVELERS COMMERCIAL INSURANCE COMPANY	06-1286268
NORTHFIELD INSURANCE COMPANY	41-0983992	TRAVELERS DISTRIBUTION ALLIANCE, INC.	62-1657094
NORTHLAND CASUALTY COMPANY	94-6051964	TRAVELERS EXCESS AND SURPLUS LINES COMPANY	06-1203698
NORTHLAND INSURANCE COMPANY	41-6009967	TRAVELERS INDEMNITY UK INVESTMENTS LLC	06-1591454
NORTHLAND RISK MANAGEMENT SERVICES, INC.	41-1720288	TRAVELERS INSURANCE GROUP HOLDINGS INC.	06-1445591
SEABOARD SURETY COMPANY	13-5379820	TRAVELERS LLOYDS MANAGEMENT COMPANY	20-4312440
SELECT INSURANCE COMPANY	75-6013697	TRAVELERS MGA, INC.	75-2676034
SPC INSURANCE AGENCY, INC.	41-1888760	TRAVELERS PC FUND INVESTMENTS, INC.	06-1514468
ST. PAUL (BERMUDA) LTD.	98-0162036	TRAVELERS PERSONAL INSURANCE COMPANY	36-3703200
ST. PAUL BERMUDA HOLDINGS, INC.	41-1835264	TRAVELERS PERSONAL SECURITY INSURANCE COMPANY	06-1286264
ST. PAUL FIRE & CASUALTY INSURANCE COMPANY	41-1419276	TRAVELERS PROPERTY CASUALTY INSURANCE COMPANY	06-1286274
ST. PAUL FIRE & MARINE INSURANCE COMPANY	41-0406690	TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA	36-2719165
ST. PAUL GUARDIAN INSURANCE COMPANY	41-0963301	TRAVELERS PROPERTY CASUALTY CORP.	06-1008174
ST. PAUL LONDON PROPERTIES, INC.	41-1880024	UNITED STATES FIDELITY & GUARANTY COMPANY	52-0515280
ST. PAUL MEDICAL LIABILITY INSURANCE COMPANY	41-1435766	USF&G FINANCIAL SERVICES CORPORATION	52-1386957
ST. PAUL MERCURY INSURANCE COMPANY	41-0881659	USF&G RETAIL ASSOCIATES GP, INC.	52-1704255
ST. PAUL PROPERTIES, INC.	41-1412523	YONKERS FINANCING CORPORATION	20-3033027

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? Connecticut

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 [X] No [ ]

2.2 If yes, date of change: 12/15/2009

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

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2007

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). 06/26/2009

3.4 By what department or departments? Maryland

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

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 [X] No [ ]

4.22 renewals? Yes [X] No [ ]

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

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

1 Name of Entity	2 NAIC Co. Code	3 State of Domicile

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

6.2 If yes, give full information:

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

7.2 If yes,

7.21 State the percentage of foreign control .....0.000 %

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

1 Nationality	2 Type of Entity

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

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

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

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG LLP, One Financial Plaza, 755 Main St., Hartford, CT 06103

10. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Smitesh Davé, F.C.A.S. & M.A.A.A. (Vice President and Chief Corporate Actuary) The Travelers Companies, Inc.
One Tower Square, Hartford, CT 06183

11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [X] No [ ]

11.11 Name of real estate holding company
Laurel Village Fidelity Realty, Inc.

11.12 Number of parcels involved 8

11.13 Total book/adjusted carrying value $.....0

11.2 If yes, provide explanation.
Holds 727 apartment units in downtown Minneapolis, MN

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

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

12.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]

12.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]

12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ ]

13.1 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.

13.11 If the response to 13.1 is No, please explain:

13.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]

13.21 If the response to 13.2 is Yes, provide information related to amendment(s).

13.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]

13.31 If the response to 13.3 is yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

14. 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 [ ]

15. 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 [ ]

16. 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

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

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

18.11	To directors or other officers	$.....0
18.12	To stockholders not officers	$.....0
18.13	Trustees, supreme or grand (Fraternal only)	$.....0

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

18.21	To directors or other officers	$.....0
18.22	To stockholders not officers	$.....0
18.23	Trustees, supreme or grand (Fraternal only)	$.....0

19.1 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]

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

19.21	Rented from others	$.....0
19.22	Borrowed from others	$.....0
19.23	Leased from others	$.....0
19.24	Other	$.....0

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

20.2 If answer is yes:

20.21	Amount paid as losses or risk adjustment	$.....0
20.22	Amount paid as expenses	$.....0
20.23	Other amounts paid	$.....0

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

21.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. $.....0

INVESTMENT

22.1 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 22.3)? Yes [X] No [ ]

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

22.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 16 where this information is also provided).
This company is a party to a security lending agreement. See Note 17.

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

22.5 If answer to 22.4 is yes, report amount of collateral. $.....3,900,500

22.6 If answer to 22.4 is no, report amount of collateral. $.....0

23.1 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 19.1 and 22.3) Yes [X] No [ ]

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

23.21	Subject to repurchase agreements	$.....0
23.22	Subject to reverse repurchase agreements	$.....0
23.23	Subject to dollar repurchase agreements	$.....0
23.24	Subject to reverse dollar repurchase agreements	$.....0
23.25	Pledged as collateral	$.....0
23.26	Placed under option agreements	$.....0
23.27	Letter stock or securities restricted as to sale	$.....0
23.28	On deposit with state or other regulatory body	$.....178,623,764
23.29	Other	$.....139,305,338

23.3 For category (23.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

24.2 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.

25.1 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]

25.2 If yes, state the amount thereof at December 31 of the current year: $.....0

26. 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 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No [ ]

26.01 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
JPMorgan Chase	270 Park Avenue, New York, NY 10017-2070
The Bank of New York	One Wall Street, New York, NY 10286

26.02 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)
N/A		

26.03 Have there been any changes, including name changes, in the custodian(s) identified in 26.01 during the current year? Yes [ ] No [X]

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

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

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

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

27.1 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]

27.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adj.Carrying Value
27.2999. TOTAL		0

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

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

28. 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 (+)
28.1	Bonds	3,932,856,695	4,076,914,134	144,057,439
28.2	Preferred stocks			0
28.3	Totals	3,932,856,695	4,076,914,134	144,057,439

28.4 Describe the sources or methods utilized in determining the fair values:
Fair values of bonds are based on prices published in the NAIC Valuations of Securities. If this unit price is not available, the fair value is based upon quoted market prices or dealer quotes, or if prices are unavailable, based on valuation determined, in good faith, by The Travelers Companies, Inc.

29.1 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]

29.2 If 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 [ ]

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

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

30.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

OTHER

31.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $.....2,002,315

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

1 Name	2 Amount Paid
INSURANCE SERVICES OFFICE, INC.	831,955

32.1 Amount of payments for legal expenses, if any? $.....4,844,047

32.2 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
SIMPSON, THACHER & BARTLETT	1,511,455

33.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $.....133,385

33.2 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
US CHAMBER OF COMMERCE	39,249

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. $.....0
1.3 What portion of item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $.....0
1.31 Reason for excluding:

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. $.....0
1.5 Indicate total incurred claims on all Medicare Supplement insurance. $.....0
1.6 Individual policies:
Most current three years:
1.61 Total premium earned $.....0
1.62 Total incurred claims $.....0
1.63 Number of covered lives 0
All years prior to most current three years:
1.64 Total premium earned $.....0
1.65 Total incurred claims $.....0
1.66 Number of covered lives 0
1.7 Group policies:
Most current three years:
1.71 Total premium earned $.....0
1.72 Total incurred claims $.....0
1.73 Number of covered lives 0
All years prior to most current three years:
1.74 Total premium earned $.....0
1.75 Total incurred claims $.....0
1.76 Number of covered lives 0

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator	$.....0	$.....0
2.2 Premium Denominator	$.....800,575,899	$.....795,464,568
2.3 Premium Ratio (2.1/2.2)	.....0.0	.....0.0
2.4 Reserve Numerator	$.....0	$.....0
2.5 Reserve Denominator	$.....1,961,964,275	$.....1,995,719,268
2.6 Reserve Ratio (2.4/2.5)	.....0.0	.....0.0

3.1 Does the reporting entity issue both participating and non-participating policies? Yes [X] No [ ]
3.2 If yes, state the amount of calendar year premiums written on:
3.21 Participating policies $.....8,412,047
3.22 Non-participating policies $.....791,006,863

4. FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:
4.1 Does the reporting entity issue assessable policies? Yes [ ] No [ ]
4.2 Does the reporting entity issue non-assessable policies? Yes [ ] No [ ]
4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? .....0.0 %
4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. $.....0

5. FOR RECIPROCAL EXCHANGES ONLY:
5.1 Does the exchange appoint local agents? Yes [ ] No [ ]
5.2 If yes, is the commission paid:
5.21 Out of Attorney's-in-fact compensation Yes [ ] No [ ] N/A [ ]
5.22 As a direct expense of the exchange Yes [ ] No [ ] N/A [ ]
5.3 What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [ ] No [ ]
5.5 If yes, give full information:

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
In order to manage its risk, the Company monitors the concentration of insured employees on a location basis. Although the Company currently has no significant workers' compensation treaty reinsurance, the Company reviews available treaty reinsurance coverages quarterly and makes purchase decisions as it deems appropriate. Facultative reinsurance purchases are also made as deemed appropriate.
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:
The Company uses RiskLink, a product developed by Risk Management Solutions, Inc., to estimate its Probable Maximum Loss (PML). Property exposures are modeled using RiskLink to determine locations of concentration including California, Florida, New Madrid, the Northeast, the Gulf States, and the Mid-Atlantic States. For terrorism risk, the Company uses RMS-PTM, a product developed by Risk Management Solutions, Inc.
The Company also develops conventional attack PML's for combined property and workers' compensation exposures for comparsion with aggregate corporate gudelines. Buildings with large exposures have a site engineering analysis performed.
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 purchases both excess of loss and proportional reinsurance to protect itself from an excessive catastrophe loss.
6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [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:

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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

7.2 If yes, indicate the number of reinsurance contracts containing such provisions. 15

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

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

8.2 If yes, give full information:

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

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

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

(a) The written premium ceded to the reinsurer by the reporting entity or its affiliate represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract? Yes [ ] No [X]

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

(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

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

(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [ ] No [X]

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

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

(a) The entity does not utilize reinsurance; or Yes [ ] No [X]
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [ ] No [X]
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [X] No [ ]

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

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

11.2 If yes, give full information:

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

12.11 Unpaid losses $.....4,357,427
12.12 Unpaid underwriting expenses (including loss adjustment expenses) $.....1,089,357

12.2 Of the amount on Line 13.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds: $.....4,627,566

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 [X] N/A [ ]

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

12.41 From .....0.0 %
12.42 To .....0.0 %

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

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

12.61 Letters of credit $.....3,182,151,774
12.62 Collateral and other funds $.....529,628,957

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): $.....1,168,650

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. 1

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

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

Per the Company's Reinsurance Allocation Agreement and Pooling Agreement.

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 all the methods described in 14.2 entirely contained in written agreements? Yes [X] No [ ]

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

15.1 Has the reporting entity guaranteed any financial premium accounts? Yes [ ] No [X]

15.2 If yes, give full information:

16.1 Does the reporting entity write any warranty business? Yes [ ] No [X]

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

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

* Disclose type of coverage:

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

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F-Part 5.

Provide the following information for this exemption:

17.11 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5 $.....0

17.12 Unfunded portion of Interrogatory 17.11 $.....0

17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 $.....0

17.14 Case reserves portion of Interrogatory 17.11 $.....0

17.15 Incurred but not reported portion of Interrogatory 17.11 $.....0

17.16 Unearned premium portion of Interrogatory 17.11 $.....0

17.17 Contingent commission portion of Interrogatory 17.11 $.....0

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 $.....0

17.19 Unfunded portion of Interrogatory 17.18 $.....0

17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18 $.....0

17.21 Case reserves portion of Interrogatory 17.18 $.....0

17.22 Incurred but not reported portion of Interrogatory 17.18 $.....0

17.23 Unearned premium portion of Interrogatory 17.18 $.....0

17.24 Contingent commission portion of Interrogatory 17.18 $.....0

18.1 Do you act as a custodian for health savings account? Yes [ ] No [X]

18.2 If yes, please provide the amount of custodial funds held as of the reporting date. $.....0

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. $.....0

FIVE-YEAR HISTORICAL DATA

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

		1 2009	2 2008	3 2007	4 2006	5 2005
	Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	534,491,140	544,496,643	616,792,585	573,942,630	902,306,905
2.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	149,289,695	154,896,785	169,763,746	160,162,017	267,499,420
3.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	273,734,820	267,837,384	268,468,076	308,869,282	472,653,998
4.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	6,603,698	6,775,495	6,848,556	13,452,558	56,715,134
5.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	987,327	(2,779,527)	2,696,801	3,110,090	2,937,013
6.	Total (Line 35)	965,106,679	971,226,781	1,064,569,764	1,059,536,577	1,702,112,470
	Net Premiums Written (Page 8, Part 1B, Col. 6)					
7.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	371,253,418	377,260,908	369,789,497	341,662,946	394,605,383
8.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	149,217,868	153,988,623	156,084,757	144,454,925	137,992,900
9.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	273,719,799	267,808,084	263,839,055	272,408,826	226,516,866
10.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	4,148,681	3,753,107	2,097,536	4,739,573	(18,115,892)
11.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	1,079,143	(2,856,215)	2,628,846	1,519,991	2,826,104
12.	Total (Line 35)	799,418,910	799,954,508	794,439,691	764,786,261	743,825,360
	Statement of Income (Page 4)					
13.	Net underwriting gain (loss) (Line 8)	77,188,657	58,130,245	84,684,476	95,545,155	(19,835,209)
14.	Net investment gain (loss) (Line 11)	184,790,193	152,255,956	118,051,250	130,877,311	218,123,286
15.	Total other income (Line 15)	899,541	5,059,587	4,206,853	473,176	(14,851,481)
16.	Dividends to policyholders (Line 17)	770,908	967,971	1,026,031	696,347	703,188
17.	Federal and foreign income taxes incurred (Line 19)	49,850,203	40,942,657	60,485,087	39,162,930	(14,048,452)
18.	Net income (Line 20)	212,257,280	173,535,160	145,431,461	187,036,365	196,781,861
	Balance Sheet Lines (Pages 2 and 3)					
19.	Total admitted assets excluding protected cell business (Page 2, Line 24, Col. 3)	4,627,715,706	4,192,651,577	4,079,567,049	4,390,091,740	4,193,446,799
20.	Premiums and considerations (Page 2, Col. 3):					
	20.1 In course of collection (Line 13.1)	40,501,265	38,286,677	45,296,020	44,873,994	43,448,578
	20.2 Deferred and not yet due (Line 13.2)	157,683,082	171,310,088	174,520,338	173,503,675	168,503,941
	20.3 Accrued retrospective premiums (Line 13.3)	21,321,491	14,191,608	10,016,456	5,812,172	8,684,938
21.	Total liabilities excluding protected cell business (Page 3, Line 24)	2,161,960,056	2,126,759,112	2,151,063,995	2,158,185,287	2,182,846,881
22.	Losses (Page 3, Line 1)	1,302,562,430	1,332,835,185	1,370,940,237	1,356,886,906	1,403,321,562
23.	Loss adjustment expenses (Page 3, Line 3)	305,832,375	305,237,005	299,080,674	301,758,820	306,614,808
24.	Unearned premiums (Page 3, Line 9)	353,277,656	357,532,748	355,008,826	348,657,336	339,359,001
25.	Capital paid up (Page 3, Lines 28 & 29)	35,214,075	35,214,075	35,214,075	35,214,075	35,214,075
26.	Surplus as regards policyholders (Page 3, Line 35)	2,465,755,650	2,065,892,465	1,928,503,054	2,231,906,453	2,010,599,918
	Cash Flow (Page 5)					
27.	Net cash from operations (Line 11)	165,044,893	198,778,560	252,050,627	257,966,257	(51,664,162)
	Risk-Based Capital Analysis					
28.	Total adjusted capital	2,465,755,650	2,065,892,465	1,928,503,054	2,231,906,453	2,010,599,918
29.	Authorized control level risk-based capital	147,546,024	141,660,953	148,384,027	277,047,980	287,776,058
	Percentage Distribution of Cash, Cash Equivalents and Invested Assets					
	(Page 2, Col. 3) (Item divided by Page 2, Line 10, Col. 3) x 100.0					
30.	Bonds (Line 1)	87.8	92.5	91.5	74.5	69.1
31.	Stocks (Lines 2.1 & 2.2)	7.7	4.5	4.2	17.2	15.1
32.	Mortgage loans on real estate (Lines 3.1 & 3.2)	0.0	0.0	0.0	0.0	1.0
33.	Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0	0.0	0.0	0.0
34.	Cash, cash equivalents and short-term investments (Line 5)	4.4	2.8	3.8	7.6	10.2
35.	Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36.	Other invested assets (Line 7)	0.1	0.2	0.5	0.7	4.5
37.	Receivable for securities (Line 8)	0.0	0.0	0.0	0.0	0.1
38.	Aggregate write-ins for invested assets (Line 9)	0.0	0.0	0.0	0.0	0.0
39.	Cash, cash equivalents and invested assets (Line 10)	100.0	100.0	100.0	100.0	100.0
	Investments in Parent, Subsidiaries and Affiliates					
40.	Affiliated bonds (Sch. D, Summary, Line 12, Col. 1)	0	0	0	0	0
41.	Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)	0	0	0	0	0
42.	Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	74,462,726	71,211,947	54,339,610	640,663,244	503,309,036
43.	Affiliated short-term investments (Schedule DA, Verification, Col. 5, Line 10)	0	0	0	0	0
44.	Affiliated mortgage loans on real estate	0	0	0	0	0
45.	All other affiliated	0	0	10,000,000	20,000,000	161,083,871
46.	Total of above lines 40 to 45	74,462,726	71,211,947	64,339,610	660,663,244	664,392,907
47.	Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 46 above divided by Page 3, Col. 1, Line 35 x 100.0)	3.0	3.4	3.3	29.6	33.0

FIVE-YEAR HISTORICAL DATA

(Continued)

		1 2009	2 2008	3 2007	4 2006	5 2005
	Capital and Surplus Accounts (Page 4)					
48.	Net unrealized capital gains (losses) (Line 24)	110,842,752	(6,012,780)	102,672,060	55,861,736	(85,399,002)
49.	Dividends to stockholders (Line 35)	0	0	0	0	0
50.	Change in surplus as regards policyholders for the year (Line 38)	399,863,185	137,389,411	(303,403,399)	221,306,534	269,234,991
	Gross Losses Paid (Page 9, Part 2, Cols. 1&2)					
51.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	387,000,115	461,514,900	446,106,112	473,696,656	(215,703,751)
52.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	76,735,401	81,102,193	85,848,609	127,990,969	85,250,670
53.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	154,241,095	168,911,706	181,150,895	366,196,536	401,728,110
54.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	(10,434,582)	12,959,534	76,269,718	109,728,020	210,238,818
55.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	12,768,699	25,531,322	62,152,376	41,864,186	(37,879,794)
56.	Total (Line 35)	620,310,727	750,019,655	851,527,709	1,119,476,368	443,634,052
	Net Losses Paid (Page 9, Part 2, Col. 4)					
57.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	186,743,110	196,880,701	161,283,855	189,398,328	359,343,517
58.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	77,429,632	76,009,032	66,750,794	66,572,367	58,065,510
59.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	127,701,425	125,578,340	101,353,534	116,277,681	244,510,162
60.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	3,326,087	2,881,536	8,124,148	8,287,100	252,778,224
61.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	4,145,249	20,821,279	18,022,755	13,276,923	25,985,541
62.	Total (Line 35)	399,345,503	422,170,888	355,535,087	393,812,399	940,682,954
	Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
63.	Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
64.	Losses incurred (Line 2)	46.1	48.3	46.9	46.1	61.4
65.	Loss expenses incurred (Line 3)	12.2	13.2	12.1	12.2	13.8
66.	Other underwriting expenses incurred (Line 4)	32.0	31.2	30.3	28.9	27.5
67.	Net underwriting gain (loss) (Line 8)	9.6	7.3	10.7	12.7	(2.6)
	Other Percentages					
68.	Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	32.0	30.4	29.5	28.4	29.8
69.	Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	58.3	61.5	59.0	58.4	75.1
70.	Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35, divided by Page 3, Line 35, Col. 1 x 100.0)	32.4	38.7	41.2	34.3	37.0
	One Year Loss Development (000 omitted)					
71.	Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	(47,343)	(60,994)	(25,862)	(17,659)	24,044
72.	Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 71 above divided by Page 4, Line 21, Col. 1 x 100)	(2.3)	(3.2)	(1.2)	(0.9)	1.4
	Two Year Loss Development (000 omitted)					
73.	Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12)	(111,937)	(75,779)	(31,248)	49,234	173,176
74.	Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 73 above divided by Page 4, Line 21, Col. 2 x 100.0)	(5.8)	(3.4)	(1.6)	2.8	16.8

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

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

($000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
				Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported-Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
1. Prior	XXX	XXX	XXX	40,153	16,343	12,757	1,860	5,111	89	983	39,729	XXX
2. 2000	711,778	154,538	557,241	533,359	137,510	60,192	9,433	27,677	3,195	18,573	471,090	XXX
3. 2001	764,958	138,824	626,134	614,167	186,237	59,846	12,402	32,430	3,420	15,649	504,384	XXX
4. 2002	837,337	162,310	675,026	422,175	88,253	51,167	7,393	26,494	2,621	15,296	401,570	XXX
5. 2003	908,286	177,342	730,945	397,897	61,997	43,094	5,460	26,639	2,544	16,428	397,630	XXX
6. 2004	913,881	155,282	758,599	366,806	62,810	35,474	4,608	29,417	2,713	16,446	361,566	XXX
7. 2005	880,738	130,323	750,415	416,003	113,215	30,047	4,505	30,150	1,954	13,783	356,526	XXX
8. 2006	866,773	108,477	758,296	289,115	34,366	23,044	2,295	33,344	1,019	13,660	307,824	XXX
9. 2007	953,663	165,969	787,693	280,553	25,307	19,391	1,508	35,690	786	15,813	308,031	XXX
10. 2008	884,203	89,073	795,130	307,013	28,552	14,267	1,216	40,405	581	14,299	331,337	XXX
11. 2009	871,965	71,389	800,576	180,842	7,485	5,875	262	33,183	312	7,880	211,842	XXX
12. Totals	XXX	XXX	XXX	3,848,082	762,075	355,156	50,942	320,541	19,235	148,809	3,691,528	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22		Total Net Losses and Expenses Unpaid	Number of Claims Outstanding-Direct and Assumed
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Anticipated		
1. Prior	258,208	76,979	261,259	45,740	27,779	5,094	48,442	3,467	25,575	34	354	489,947	XXX
2. 2000	28,122	8,995	24,821	8,015	2,281	568	4,123	690	2,156	3	184	43,231	XXX
3. 2001	38,747	10,914	31,116	7,829	3,385	1,368	5,471	1,231	6,303	18	1,002	63,663	XXX
4. 2002	27,608	9,284	35,648	10,446	2,449	332	6,898	2,269	2,150	(2)	395	52,425	XXX
5. 2003	29,818	6,828	32,040	9,131	2,880	278	9,572	2,372	6,683	2	1,892	62,382	XXX
6. 2004	30,606	7,825	35,739	9,546	3,186	304	8,715	1,483	2,677	(4)	1,405	61,769	XXX
7. 2005	30,941	7,798	53,368	15,707	3,526	430	9,266	1,415	2,710	(6)	2,281	74,466	XXX
8. 2006	42,298	8,562	63,320	12,783	5,120	449	10,242	1,910	4,108	1	3,285	101,385	XXX
9. 2007	54,921	8,191	82,670	16,390	7,440	538	14,638	1,014	5,627	15	5,039	139,147	XXX
10. 2008	88,491	10,489	114,391	17,966	8,616	528	26,806	1,759	8,154	15	9,026	215,701	XXX
11. 2009	101,792	11,670	178,336	20,610	7,812	424	30,224	1,590	20,437	27	13,517	304,280	XXX
12. Totals	731,552	167,537	912,709	174,162	74,474	10,315	174,398	19,199	86,578	104	38,380	1,608,395	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense	Inter-Company Pooling Participation Percentage	35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	396,747	93,200
2. 2000	682,731	168,410	514,321	95.9	109.0	92.3	0	0	4.41	35,933	7,298
3. 2001	791,466	223,419	568,047	103.5	160.9	90.7	0	0	4.41	51,120	12,543
4. 2002	574,589	120,594	453,994	68.6	74.3	67.3	0	0	4.41	43,527	8,898
5. 2003	548,623	88,610	460,013	60.4	50.0	62.9	0	0	4.41	45,899	16,483
6. 2004	512,621	89,287	423,334	56.1	57.5	55.8	0	0	4.41	48,975	12,794
7. 2005	576,011	145,019	430,991	65.4	111.3	57.4	0	0	4.41	60,804	13,662
8. 2006	470,593	61,384	409,209	54.3	56.6	54.0	0	0	4.41	84,274	17,111
9. 2007	500,928	53,750	447,178	52.5	32.4	56.8	0	0	4.41	113,009	26,138
10. 2008	608,144	61,106	547,038	68.8	68.6	68.8	0	0	4.41	174,427	41,274
11. 2009	558,501	42,379	516,122	64.1	59.4	64.5	0	0	4.41	247,848	56,431
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	1,302,562	305,832

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End ($000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	One Year	Two Year
1. Prior	1,064,057	1,104,480	1,229,895	1,262,242	1,340,629	1,399,683	1,424,775	1,444,371	1,455,324	1,461,397	6,073	17,027
2. 2000	400,558	416,258	430,374	456,408	479,675	486,227	492,565	490,979	495,304	488,897	(6,407)	(2,082)
3. 2001	XXX	501,705	504,872	526,284	536,157	530,031	536,724	533,251	536,391	534,189	(2,202)	938
4. 2002	XXX	XXX	450,291	412,646	426,659	432,914	435,838	433,168	432,281	430,183	(2,098)	(2,986)
5. 2003	XXX	XXX	XXX	451,193	427,918	437,906	436,422	438,932	440,014	431,595	(8,419)	(7,337)
6. 2004	XXX	XXX	XXX	XXX	493,973	448,252	429,002	417,437	402,854	396,376	(6,479)	(21,062)
7. 2005	XXX	XXX	XXX	XXX	XXX	501,873	460,689	445,087	414,643	402,410	(12,233)	(42,677)
8. 2006	XXX	XXX	XXX	XXX	XXX	XXX	419,691	405,921	383,609	375,355	(8,254)	(30,566)
9. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	432,286	420,786	409,094	(11,692)	(23,192)
10. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	496,959	501,327	4,367	XXX
11. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	465,314	XXX	XXX
12. Totals											(47,343)	(111,937)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End ($000 omitted)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009		
1. Prior	000	243,698	443,385	607,649	692,364	769,947	834,672	885,744	944,768	979,475	XXX	XXX
2. 2000	140,254	239,707	309,890	360,670	376,820	399,472	414,868	427,669	443,003	446,608	XXX	XXX
3. 2001	XXX	148,975	267,451	342,317	393,614	429,117	448,534	460,933	469,774	475,375	XXX	XXX
4. 2002	XXX	XXX	127,142	213,785	266,513	308,604	339,304	358,410	370,837	377,697	XXX	XXX
5. 2003	XXX	XXX	XXX	130,993	224,825	285,505	321,354	348,989	364,483	373,534	XXX	XXX
6. 2004	XXX	XXX	XXX	XXX	130,830	223,213	268,139	301,814	321,633	334,862	XXX	XXX
7. 2005	XXX	XXX	XXX	XXX	XXX	139,888	242,546	282,456	310,423	328,329	XXX	XXX
8. 2006	XXX	XXX	XXX	XXX	XXX	XXX	134,031	207,644	247,024	275,498	XXX	XXX
9. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	145,845	227,675	273,128	XXX	XXX
10. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	191,064	291,513	XXX	XXX
11. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	178,971	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End ($000 omitted)									
	1	2	3	4	5	6	7	8	9	10
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1. Prior	526,723	389,699	390,886	332,529	338,711	343,468	325,399	314,886	281,744	265,907
2. 2000	151,375	75,956	35,439	43,543	49,293	34,247	35,144	28,561	26,317	20,868
3. 2001	XXX	227,553	120,997	85,251	54,715	36,793	37,487	31,191	31,864	28,470
4. 2002	XXX	XXX	221,886	102,766	73,085	54,613	44,387	38,226	35,089	31,461
5. 2003	XXX	XXX	XXX	225,067	111,813	76,351	53,589	44,585	42,238	31,680
6. 2004	XXX	XXX	XXX	XXX	264,758	143,810	93,786	66,232	46,658	35,140
7. 2005	XXX	XXX	XXX	XXX	XXX	230,987	143,604	108,952	65,712	47,491
8. 2006	XXX	XXX	XXX	XXX	XXX	XXX	197,029	130,525	85,049	61,073
9. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	190,340	119,607	82,065
10. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	199,804	123,303
11. 2009	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	188,725

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken: 2 Direct Premiums Written	3 Direct Premiums Earned	4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
1. Alabama AL	L	1,085,887	(263,414)	0	2,813,746	3,225,590	39,166,353	1,262	0
2. Alaska AK	L	3,525,340	2,290,084	0	896,170	1,585,335	3,805,129	481	0
3. Arizona AZ	L	8,296,439	5,926,357	0	1,628,145	2,579,811	9,366,896	6,919	0
4. Arkansas AR	L	188,753	(108,167)	0	1,391,592	(946,577)	12,553,442	189	0
5. California CA	L	46,491,217	52,114,119	0	44,524,870	16,812,540	312,105,557	62,246	0
6. Colorado CO	L	751,811	608,571	0	5,526,254	(852,602)	12,470,159	1,150	0
7. Connecticut CT	L	518,267	(695,161)	0	1,484,942	(1,441,360)	10,266,633	1,335	0
8. Delaware DE	L	251,119	298,373	0	240,441	715,780	3,145,780	223	0
9. District of Columbia DC	L	77,124	51,641	0	619,378	(477,112)	2,399,019	42	0
10. Florida FL	L	2,119,885	1,023,696	0	3,295,722	(8,497,526)	105,788,893	150	0
11. Georgia GA	L	1,234,810	510,785	0	3,288,632	(300,166)	17,579,845	1,768	0
12. Hawaii HI	L	554,861	403,347	0	298,909	(258,208)	2,977,841	43	0
13. Idaho ID	L	489,522	453,833	0	133,606	493,737	1,945,093	875	0
14. Illinois IL	L	4,219,744	1,746,066	0	8,410,787	(1,348,283)	32,393,099	3,644	0
15. Indiana IN	L	1,189,857	1,300,231	0	2,287,270	(1,591,093)	17,005,068	635	0
16. Iowa IA	L	411,874	371,830	0	322,619	(168,776)	10,587,361	283	0
17. Kansas KS	L	(189,257)	(177,629)	0	669,639	(890,245)	6,964,415	0	0
18. Kentucky KY	L	320,363	1,741,891	0	1,292,475	(3,192,208)	19,045,159	257	0
19. Louisiana LA	L	2,944,157	2,164,198	0	3,316,090	25,183,287	87,908,332	2,039	0
20. Maine ME	L	1,004,553	776,398	0	1,295,032	2,051,473	6,486,663	1,200	0
21. Maryland MD	L	2,785,375	1,988,690	0	2,334,474	3,928,532	13,959,583	2,752	0
22. Massachusetts MA	L	1,185,180	1,777,094	0	1,633,505	8,312,420	33,124,796	2,698	0
23. Michigan MI	L	(6,402,398)	(6,903,745)	0	8,956,074	5,391,035	61,394,486	0	0
24. Minnesota MN	L	3,761,964	2,290,822	0	1,295,377	351,695	10,848,144	2,656	0
25. Mississippi MS	L	595,035	566,059	0	1,582,805	9,183,418	59,127,071	430	0
26. Missouri MO	L	3,066,993	3,031,357	0	3,308,840	2,035,185	18,592,673	3,103	0
27. Montana MT	L	311,238	306,294	0	661,788	855,717	7,117,482	654	0
28. Nebraska NE	L	345,035	(175,973)	0	110,715	(143,650)	5,253,752	271	0
29. Nevada NV	L	608,022	611,178	0	1,315,647	(176,568)	4,256,312	624	0
30. New Hampshire NH	L	1,525,475	1,020,365	0	297,105	(977,257)	2,986,736	3,173	0
31. New Jersey NJ	L	1,396,947	365,725	0	4,571,184	(1,504,969)	41,042,735	2,250	0
32. New Mexico NM	L	328,641	377,819	0	1,675,422	2,349,594	15,369,306	350	0
33. New York NY	L	3,645,174	1,793,332	0	(3,885,777)	(26,666,058)	40,274,864	5,902	0
34. North Carolina NC	L	(64,514)	(431,342)	0	4,093,839	1,767,657	19,604,960	0	0
35. North Dakota ND	L	12,771	17,906	0	35,528	(51,473)	414,756	0	0
36. Ohio OH	L	2,904,710	1,656,808	0	712,846	3,085,327	14,931,669	1,974	0
37. Oklahoma OK	L	822,172	690,082	0	1,751,559	228,000	18,092,944	63	0
38. Oregon OR	L	7,404,075	5,436,973	0	2,014,053	3,983,111	10,250,375	10,353	0
39. Pennsylvania PA	L	3,891,486	26,371,323	0	7,197,174	(800,018)	120,277,191	4,155	0
40. Rhode Island RI	L	278,784	310,979	0	(535,392)	(704,911)	1,855,918	731	0
41. South Carolina SC	L	157,605	(1,399,341)	0	346,725	(377,351)	16,535,524	202	0
42. South Dakota SD	L	51,539	182,496	0	547,138	529,501	2,850,396	39	0
43. Tennessee TN	L	1,389,441	784,868	0	1,114,871	(349,740)	23,396,861	1,562	0
44. Texas TX	L	4,386,321	3,586,162	0	3,273,432	1,808,678	55,614,404	4,729	0
45. Utah UT	L	(41,538)	(79,171)	0	296,046	(874,293)	4,392,371	0	0
46. Vermont VT	L	1,233,036	1,014,268	0	693,599	248,942	6,455,087	2,242	0
47. Virginia VA	L	1,738,685	554,535	0	2,918,056	1,453,892	34,350,516	2,414	0
48. Washington WA	L	296,899	(147,749)	0	7,201,983	(827,004)	2,970,926	654	0
49. West Virginia WV	L	70,810	73,669	0	392,596	348,204	3,638,012	14	0
50. Wisconsin WI	L	18,673,982	15,180,954	0	5,194,606	10,191,924	31,127,921	7,230	0
51. Wyoming WY	L	43,628	43,590	0	33,403	(244,445)	694,354	2	0
52. American Samoa AS	N	0	0	0	0	0	0	0	0
53. Guam GU	N	0	0	0	0	0	0	0	0
54. Puerto Rico PR	L	219,858	224,314	0	991,902	(1,833,535)	18,565,974	0	0
55. US Virgin Islands VI	L	400	131	0	0	(466)	19,987	0	0
56. Northern Mariana Islands MP	N	0	0	0	0	0	0	0	0
57. Canada CN	N	0	0	0	0	509	3,581	0	0
58. Aggregate Other Alien OT	XXX	(2,760,815)	(716,002)	0	5,066	678,971	133,713,031	0	0
59. Totals	(a) 53	129,348,344	130,941,513	0	145,872,510	53,883,974	1,547,065,436	145,968	0

DETAILS OF WRITE-INS

5801. Other Alien Combined	XXX	(2,760,815)	(716,002)	0	5,066	678,971	133,713,031	0	0
5802.	XXX	0	0	0	0	0	0	0	0
5803.	XXX	0	0	0	0	0	0	0	0
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803+ Line 5898) (Line 58 above)	XXX	(2,760,815)	(716,002)	0	5,066	678,971	133,713,031	0	0

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

Explanation of Basis of Allocation of Premiums by States, etc.

1. FIRE; 2. ALLIED LINES; 3. FARMOWNERS MULTIPLE PERIL; 4. HOMEOWNERS MULTIPLE PERIL; 5. COMMERCIAL MULTIPLE PERIL; 12. EARTHQUAKE; 26. BURGLARY AND THEFT; 27. BOILER AND MACHINERY-LOCATION OF PROPERTY INSURED; 8. OCEAN MARINE-LOCATION WHERE CONTRACT OF INSURANCE IS NEGOTIATED, EXCEPT BUILDERS RISKS WHICH ARE ALLOCATED ON LOCATIONS OF RISK; 9. INLAND MARINE-ADDRESS OF INSURED OR STATE OF PRINCIPAL EXPOSURE, BRIDGES AND TUNNELS-LOCATION OF PROPERTY; 10. FINANCIAL GUARANTY; 13. GROUP ACCIDENT AND HEALTH; 15. OTHER ACCIDENT AND HEALTH; 28. CREDIT-LOCATION OF INSURED; 11. MEDICAL MALPRACTICE; 16. WORKERS COMPENSATION; 17. OTHER LIABILITY; 18 PRODUCTS LIABILITY-LOCATION OF RISK; 19. AUTO LIABILITY; 21. AUTO PHYSICAL DAMAGE-LOCATION OF PRINCIPAL GARAGE OF INSURED; 22. AIRCRAFT (ALL PERILS)-LOCATION OF AIRPORT FROM WHICH INSURED AIRCRAFT PRINCIPALLY OPERATE; 23. FIDELITY-FORGERY-LOCATION OF INSURED, PUBLIC AND FEDERAL OFFICIAL-LOCATION OF OFFICIAL, ALL OTHER FIDELITY-LOCATION OF EMPLOYER; 24. SURETY-CONSTRUCTION CONTRACT-LOCATION OF WORK, SUPPLY CONTRACTS-LOCATION OF CONTRACTOR, JUDICIAL-LOCATION OF COURT, LICENSE-LOCATION OF OBLIGEE; ALL OTHER-LOCATION OF PRINCIPAL.

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

The Travelers Companies, Inc.	Minnesota	41-0518860
… St. Paul Fire and Marine Insurance Company (24767) *	Minnesota	41-0406690
… … St. Paul Mercury Insurance Company (24791) *	Minnesota	41-0881659
… … St. Paul Guardian Insurance Company (24775) *	Minnesota	41-0963301
… … St. Paul Fire and Casualty Insurance Company (40967) *	Wisconsin	41-1419276
… … St. Paul Surplus Lines Insurance Company (30481) *	Delaware	41-1230819
… … Athena Assurance Company (41769) *	Minnesota	41-1435765
… … St. Paul Medical Liability Insurance Company (41750) *	Minnesota	41-1435766
… … Northbrook Holdings, Inc.	Delaware	51-0375653
… … … Discover Property & Casualty Insurance Company (36463) *	Illinois	36-2999370
… … … St. Paul Protective Insurance Company (19224) *	Illinois	36-2542404
… … Discover Specialty Insurance Company (10213) *	Illinois	52-1925132
… … Captiva, Ltd. (81.1%) *	Bermuda	98-0170615
… … United States Fidelity and Guaranty Company (25887) *	Connecticut	52-0515280
… … … Fidelity and Guaranty Insurance Underwriters, Inc. (25879) *	Wisconsin	52-0616768
… … … Fidelity and Guaranty Insurance Company (35386) *	Iowa	42-1091525
… … MMI Capital Trust I	Delaware	52-2073764
… … USF&G Capital I	Delaware	52-1953822
… … USF&G Capital III	Delaware	52-2044075
… … 350 Market Street	Minnesota	41-1618103
… … UA Combined Investment Company, Ltd	United Kingdom	
… … Jago Dedicated, Ltd	United Kingdom	
… Mountain Ridge Insurance Company (10950) *	Vermont	52-1957776
… St. Paul Bermuda Holdings, Inc.	Delaware	41-1835264
… … St. Paul (Bermuda), Ltd. *	Bermuda	98-0162036
… … St. Paul Re (Bermuda), Ltd. *	Bermuda	98-0114704
… Travelers Insurance Company Limited *	United Kingdom	AA-1121375
… F&G U.K. Underwriters Limited	United Kingdom	
… … Lloyds Syndicate 5000 (40%) *	United Kingdom	
… Aprilgrange Limited	United Kingdom	
… … Lloyds Syndicate 5000 (60%) *	United Kingdom	
… Travelers Property Casualty Corp.	Connecticut	06-1008174
… … Travelers Insurance Group Holdings Inc.	Delaware	06-1445591
… … … TPC Investments Inc.	Connecticut	06-1534005
… … … The Standard Fire Insurance Company (19070) *	Connecticut	06-6033509
… … … … AE Properties, Inc.	California	95-2798160
… … … … Standard Fire UK Investments, LLC	Delaware	06-6033509
… … … … The Automobile Insurance Company of Hartford, Connecticut (19062) *	Connecticut	06-0848755
… … … … Travelers Personal Security Insurance Company (36145) *	Connecticut	06-1286264
… … … … Travelers Property Casualty Insurance Company (36161) *	Connecticut	06-1286274
… … … … Travelers Personal Insurance Company (38130) *	Connecticut	36-3703200
… … … Travelers (Bermuda) Limited *	Bermuda	98-0190863
… … … Travelers Casualty and Surety Company (19038) *	Connecticut	06-6033504
… … … … Ponderosa Homes (77%)	Connecticut	06-0961413
… … … … AE Development	Connecticut	06-0952727
… … … … … Ponderosa Homes (23%)	Connecticut	06-0961413
… … … … Farmington Casualty Company (41483) *	Connecticut	06-1067463
… … … … Travelers Guarantee Company of Canada*	Canada	
… … … … … Coronation Insurance Company, Ltd. *	Canada	
… … … … Travelers Casualty and Surety Company of America (31194) *	Connecticut	06-0907370
… … … … Travelers Casualty Insurance Company of America (19046) *	Connecticut	06-0876835
… … … … Travelers Casualty Company of Connecticut (36170) *	Connecticut	06-1286266
… … … … Travelers Commercial Insurance Company (36137) *	Connecticut	06-1286268
… … … … Travelers Excess and Surplus Lines Company (29696) *	Connecticut	06-1203698
… … … … Travelers Lloyds of Texas Insurance Company (41564) *	Texas	75-1732040
… … … … Travelers PC Fund Investments, Inc.	Connecticut	06-1514468
… … … The Travelers Indemnity Company (25658) *	Connecticut	06-0566050
… … … … The Charter Oak Fire Insurance Company (25615) *	Connecticut	06-0291290
… … … … First Floridian Auto and Home Insurance Company (10647) *	Florida	59-3372141
… … … … First Trenton Indemnity Company (29930) *	Connecticut	22-3129711
… … … … … Travelers Auto Insurance Co. of New Jersey (10785) *****	Connecticut	22-3499393
… … … … Gulf Underwriters Insurance Company (42811) *	Connecticut	56-1371361
… … … … Select Insurance Company (22233) *	Texas	75-6013697
… … … … Gulf Insurance Holdings U.K. Ltd.	United Kingdom	
… … … … … Gulf Underwriting Holdings Limited	United Kingdom	
… … … … … … Gulf Underwriting Limited *	United Kingdom	
… … … … … Travelers Casualty and Surety Company of Europe, Limited *	United Kingdom	
… … … … Commercial Guaranty Insurance Company (38385) *	Delaware	75-1679830
… … … … Jupiter Holdings, Inc.	Minnesota	41-1769846
… … … … … American Equity Insurance Company (43117) *	Arizona	86-0703220
… … … … … … American Equity Specialty Insurance Company (10819) *	Connecticut	86-0868106
… … … … … Northland Insurance Company (24015) *	Minnesota	41-6009967
… … … … … … Northfield Insurance Company (27987) *	Iowa	41-0983992
… … … … … … Northland Casualty Company (24031) *	Minnesota	94-6051964
… … … … Travelers Indemnity UK Investments, LLC	Connecticut	06-1591454
… … … … The Phoenix Insurance Company (25623) *	Connecticut	06-0303275
… … … … … The Travelers Indemnity Company of America (25666) *	Connecticut	58-6020487
… … … … … The Travelers Indemnity Company of Connecticut (25682) *	Connecticut	06-0336212
… … … … … Travelers Property Casualty Company of America (25674) *	Connecticut	36-2719165
… … … … … Constitution State Services, LLC	Delaware	06-1501229
… … … … The Premier Insurance Company of Massachusetts (12850) *	Massachusetts	04-3175569
… … … … TravCo Insurance Company (28188) *	Connecticut	35-1838077
… … … … TINDY Foreign, Inc	Delaware	20-4403403
… … … … Travelers Commercial Casualty Company (40282) *	Connecticut	95-3634110
… … … … The Travelers Home and Marine Insurance Company (27998) *	Connecticut	35-1838079
… … … … The Travelers Lloyds Insurance Company (41262) *	Texas	76-0002592
… … … … The Travelers Marine Corporation	California	94-0338230

Notes:
* Denotes affiliated insurer
Unless otherwise stated, subsidiaries listed above are 100% owned by respective parent

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