



# HEALTH QUARTERLY STATEMENT

As of March 31, 2014  
of the Condition and Affairs of the

## PHYSICIANS UNITED PLAN, INC.

NAIC Group Code..... , (Current Period) (Prior Period) NAIC Company Code..... 10775 Employer's ID Number..... 20-2505788

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

Licensed as Business Type Health Maintenance Organization Is HMO Federally Qualified? Yes [ ] No [X]

Incorporated/Organized..... February 22, 2005 Commenced Business..... January 1, 2006

Statutory Home Office 8427 SouthPark Circle, Suite 500..... Orlando ..... FL ..... 32819  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 8427 SouthPark Circle, Suite 500..... Orlando ..... FL ..... 32819 866-571-0693  
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 8427 SouthPark Circle, Suite 500..... Orlando ..... FL ..... 32819  
(Street and Number) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 8427 SouthPark Circle, Suite 500..... Orlando ..... FL ..... 32819 866-571-0693  
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.uaskpup.com

Statutory Statement Contact Aaron Swain Henry 407-215-2513  
(Name) (Area Code) (Telephone Number) (Extension)  
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(E-Mail Address) (Fax Number)

### OFFICERS

Name	Title	Name	Title
Sandeep (NMN) Bajaj M.D. #	President & CEO	Imtiaz Haseeb Sattaur	Co-President & CEO
Darilu Debi	EVP, CAO, Secretary		

### OTHER

### DIRECTORS OR TRUSTEES

Dennis Sebastian Agliano M.D.	Rohini (NMN) Bajaj M.D.	Sandeep (NMN) Bajaj M.D.	Michael Joseph Barimo D.O.
Imtiaz Haseeb Sattaur	Rudolph Guy Moise M.D.	Kevin Patrick Enterlein	

State of..... Florida  
County of.... Orange

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

(Signature)	(Signature)	(Signature)
Sandeep (NMN) Bajaj M.D.	Imtiaz Haseeb Sattaur	Darilu Debi
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President & CEO	Co-President & CEO	EVP, CAO, Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me

This \_\_\_\_\_ day of \_\_\_\_\_

a. Is this an original filing? Yes [X] No [ ]

b. If no:

1. State the amendment number \_\_\_\_\_
2. Date filed \_\_\_\_\_
3. Number of pages attached \_\_\_\_\_

## ASSETS

	Current Statement Date			4 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	78,715		78,715	78,715
2. Stocks:				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....			0	
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....16,968,165), cash equivalents (\$.....1,506,973) and short-term investments (\$.....15,462,396).....	33,937,534		33,937,534	35,197,233
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....			0	
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets.....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	34,016,249	0	34,016,249	35,275,948
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	14,764		14,764	4,913
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	101,375		101,375	440,694
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums.....	27,497,699		27,497,699	14,909,756
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....			0	(63,995)
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....	1,479,937		1,479,937	1,479,937
18.1 Current federal and foreign income tax recoverable and interest thereon.....	403,732		403,732	403,732
18.2 Net deferred tax asset.....	5,396,457	4,331,225	1,065,232	1,065,232
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....	728,298	397,199	331,099	319,767
21. Furniture and equipment, including health care delivery assets (\$.....0).....	197,666	197,666	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....			0	
24. Health care (\$.....45,805,675) and other amounts receivable.....	46,186,463	380,788	45,805,675	43,186,769
25. Aggregate write-ins for other than invested assets.....	1,827,564	1,818,328	9,236	57,090
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	117,850,204	7,125,206	110,724,998	97,079,843
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	117,850,204	7,125,206	110,724,998	97,079,843

### DETAILS OF WRITE-INS

1101. ....			0	
1102. ....			0	
1103. ....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Prepaid Expenses.....	1,222,166	1,222,166	0	
2502. Security Deposits.....	596,162	596,162	0	
2503. Misc AR.....	9,236		9,236	57,090
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	1,827,564	1,818,328	9,236	57,090

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....	82,421,652		82,421,652	72,459,427
2. Accrued medical incentive pool and bonus amounts.....	4,221,532		4,221,532	4,944,580
3. Unpaid claims adjustment expenses.....	722,897		722,897	239,401
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act.....	2,475,350		2,475,350	2,524,514
5. Aggregate life policy reserves.....			0	
6. Property/casualty unearned premium reserve.....			0	
7. Aggregate health claim reserves.....			0	
8. Premiums received in advance.....			0	
9. General expenses due or accrued.....	6,343,477		6,343,477	5,147,004
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)).....			0	
10.2 Net deferred tax liability.....			0	
11. Ceded reinsurance premiums payable.....			0	
12. Amounts withheld or retained for the account of others.....			0	
13. Remittances and items not allocated.....			0	
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....			0	
15. Amounts due to parent, subsidiaries and affiliates.....			0	
16. Derivatives.....			0	
17. Payable for securities.....			0	
18. Payable for securities lending.....			0	
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and certified \$.....0 reinsurers).....			0	
20. Reinsurance in unauthorized and certified (\$.....0) companies.....			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates.....			0	
22. Liability for amounts held under uninsured plans.....			0	
23. Aggregate write-ins for other liabilities (including \$.....0 current).....	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	96,184,908	0	96,184,908	85,314,926
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	874,000	0
26. Common capital stock.....	XXX	XXX	16	16
27. Preferred capital stock.....	XXX	XXX	74,670	74,670
28. Gross paid in and contributed surplus.....	XXX	XXX	9,775,671	9,775,671
29. Surplus notes.....	XXX	XXX	18,050,000	18,050,000
30. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	(14,234,267)	(16,135,440)
32. Less treasury stock, at cost:				
32.1 .....0.000 shares common (value included in Line 26 \$.....0).....	XXX	XXX		
32.2 .....0.000 shares preferred (value included in Line 27 \$.....0).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	14,540,090	11,764,917
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	110,724,998	97,079,843

**DETAILS OF WRITE-INS**

2301. ....			0	
2302. ....			0	
2303. ....			0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	0	0	0	0
2501. Special Surplus for 2014 ACA Fee.....	XXX	XXX	874,000	
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page.....	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	XXX	XXX	874,000	0
3001. ....				
3002. ....				
3003. ....				
3098. Summary of remaining write-ins for Line 30 from overflow page.....	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	XXX	XXX	0	0

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member months.....	XXX.....	149,890	101,222	433,986
2. Net premium income (including \$.....0 non-health premium income).....	XXX.....	122,233,260	90,858,925	374,978,411
3. Change in unearned premium reserves and reserve for rate credits.....	XXX.....			
4. Fee-for-service (net of \$.....0 medical expenses).....	XXX.....			
5. Risk revenue.....	XXX.....			
6. Aggregate write-ins for other health care related revenues.....	XXX.....	0	0	0
7. Aggregate write-ins for other non-health revenues.....	XXX.....	0	0	0
8. Total revenues (Lines 2 to 7).....	XXX.....	122,233,260	90,858,925	374,978,411
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits.....		40,438,743	28,155,229	130,288,219
10. Other professional services.....		3,110,673	2,167,055	10,022,171
11. Outside referrals.....		3,998,333	3,095,390	12,882,095
12. Emergency room and out-of-area.....		29,640,155	21,667,366	95,496,614
13. Prescription drugs.....		18,640,426	12,341,454	53,181,832
14. Aggregate write-ins for other hospital and medical.....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		4,234,046	6,436,469	4,944,364
16. Subtotal (Lines 9 to 15).....	0	100,062,376	73,862,963	306,815,295
<b>Less:</b>				
17. Net reinsurance recoveries.....		(177,004)	188,439	1,068,579
18. Total hospital and medical (Lines 16 minus 17).....	0	100,239,380	73,674,524	305,746,716
19. Non-health claims (net).....				
20. Claims adjustment expenses, including \$.....4,506,521 cost containment expenses.....		6,932,694	2,961,492	12,540,349
21. General administrative expenses.....		14,317,501	8,984,407	51,891,806
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only).....				
23. Total underwriting deductions (Lines 18 through 22).....	0	121,489,575	85,620,423	370,178,871
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX.....	743,685	5,238,502	4,799,540
25. Net investment income earned.....		43,015	50,315	140,374
26. Net realized capital gains (losses) less capital gains tax of \$.....0.....				
27. Net investment gains or (losses) (Lines 25 plus 26).....	0	43,015	50,315	140,374
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)].....				
29. Aggregate write-ins for other income or expenses.....	0	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX.....	786,700	5,288,817	4,939,914
31. Federal and foreign income taxes incurred.....	XXX.....			62,356
32. Net income (loss) (Lines 30 minus 31).....	XXX.....	786,700	5,288,817	4,877,558

**DETAILS OF WRITE-INS**

0601. ....	XXX.....			
0602. ....	XXX.....			
0603. ....	XXX.....			
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX.....	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	XXX.....	0	0	0
0701. ....	XXX.....			
0702. ....	XXX.....			
0703. ....	XXX.....			
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX.....	0	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above).....	XXX.....	0	0	0
1401. ....				
1402. ....				
1403. ....				
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	0	0	0	0
2901. ....				
2902. ....				
2903. ....				
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0	0	0

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

<b>CAPITAL AND SURPLUS ACCOUNT</b>	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
33. Capital and surplus prior reporting year.....	11,764,917	7,633,609	7,633,609
34. Net income or (loss) from Line 32.....	786,700	5,288,817	4,877,558
35. Change in valuation basis of aggregate policy and claim reserves.....			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0.....			
37. Change in net unrealized foreign exchange capital gain or (loss).....			
38. Change in net deferred income tax.....			(1,281,875)
39. Change in nonadmitted assets.....	1,988,473	(710,525)	530,768
40. Change in unauthorized and certified reinsurance.....			
41. Change in treasury stock.....			
42. Change in surplus notes.....			
43. Cumulative effect of changes in accounting principles.....			
44. Capital changes:			
44.1 Paid in.....			4,857
44.2 Transferred from surplus (Stock Dividend).....			
44.3 Transferred to surplus.....			
45. Surplus adjustments:			
45.1 Paid in.....			
45.2 Transferred to capital (Stock Dividend).....			
45.3 Transferred from capital.....			
46. Dividends to stockholders.....			
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0	0
48. Net change in capital and surplus (Lines 34 to 47).....	2,775,173	4,578,292	4,131,308
49. Capital and surplus end of reporting period (Line 33 plus 48).....	14,540,090	12,211,901	11,764,917

**DETAILS OF WRITE-INS**

4701. Correction of Prior Year Non-admitted asset.....			
4702. ....			
4703. ....			
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above).....	0	0	0

**CASH FLOW**

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>CASH FROM OPERATIONS</b>			
1. Premiums collected net of reinsurance.....	109,984,636	82,993,263	367,802,525
2. Net investment income.....	33,163	54,199	148,413
3. Miscellaneous income.....			
4. Total (Lines 1 through 3).....	110,017,799	83,047,462	367,950,938
5. Benefit and loss related payments.....	92,344,524	72,647,849	294,645,927
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	19,570,226	14,531,405	65,031,979
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....		160,000	589,998
10. Total (Lines 5 through 9).....	111,914,750	87,339,254	360,267,904
11. Net cash from operations (Line 4 minus Line 10).....	(1,896,951)	(4,291,792)	7,683,034
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....			756,314
12.2 Stocks.....			
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....			
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	0	0	756,314
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....		973	79,986
13.2 Stocks.....			
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....			
13.7 Total investments acquired (Lines 13.1 to 13.6).....	0	973	79,986
14. Net increase or (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	0	(973)	676,328
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....			4,857
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			
16.6 Other cash provided (applied).....	637,252	(675,856)	479,722
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	637,252	(675,856)	484,579
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(1,259,699)	(4,968,621)	8,843,941
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	35,197,233	26,353,292	26,353,292
19.2 End of period (Line 18 plus Line 19.1).....	33,937,534	21,384,671	35,197,233

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

20.0001 .....			
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**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
<b>Total Members at End of:</b>										
1. Prior Year.....	38,884							38,884		
2. First Quarter.....	49,976							49,976		
3. Second Quarter.....	0									
4. Third Quarter.....	0									
5. Current Year.....	0									
6. Current Year Member Months.....	149,890							149,890		
<b>Total Member Ambulatory Encounters for Period:</b>										
7. Physician.....	174,641							174,641		
8. Non-Physician.....	47,865							47,865		
9. Total.....	222,506	0	0	0	0	0	0	222,506	0	0
10. Hospital Patient Days Incurred.....	15,459							15,459		
11. Number of Inpatient Admissions.....	3,014							3,014		
12. Health Premiums Written (a).....	122,233,260							122,233,260		
13. Life Premiums Direct.....	0									
14. Property/Casualty Premiums Written.....	0									
15. Health Premiums Earned.....	122,233,260							122,233,260		
16. Property/Casualty Premiums Earned.....	0									
17. Amount Paid for Provision of Health Care Services.....	90,100,151							90,100,151		
18. Amount Incurred for Provision of Health Care Services.....	100,062,376							100,062,376		

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(a) For health premiums written: Amount of Medicare Title XVIII exempt from state taxes or fees \$.....122,233,260.

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
<b>Claims Unpaid (Reported)</b>						
0399999. Aggregate Accounts Not Individually Listed-Covered.....	19,057,861	1,880,432	190,156			21,128,449
0499999. Subtotals.....	19,057,861	1,880,432	190,156	0	0	21,128,449
0599999. Unreported Claims and Other Claim Reserves.....						61,293,203
0799999. Total Claims Unpaid.....						82,421,652
0899999. Accrued Medical Incentive Pool and Bonus Amounts.....						4,221,532



## UNDERWRITING AND INVESTMENT EXHIBIT

### Analysis of Claims Unpaid - Prior Year - Net of Reinsurance

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical).....					0	
2. Medicare Supplement.....					0	
3. Dental only.....					0	
4. Vision only.....					0	
5. Federal Employees Health Benefits Plan.....					0	
6. Title XVIII - Medicare.....	51,232,542	76,233,358	17,097,540	65,324,112	68,330,082	72,459,427
7. Title XIX - Medicaid.....					0	
8. Other health.....					0	
9. Health subtotal (Lines 1 to 8).....	51,232,542	76,233,358	17,097,540	65,324,112	68,330,082	72,459,427
10. Healthcare receivables (a).....		42,004,464			0	
11. Other non-health.....					0	
12. Medical incentive pools and bonus amounts.....	4,944,580	594,187		4,221,532	4,944,580	4,944,580
13. Totals (Lines 9-10+11+12).....	56,177,122	34,823,081	17,097,540	69,545,644	73,274,662	77,404,007

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(a) Excludes \$.....4,181,999 loans or advances to providers not yet expensed.

## 1. Summary of Significant Accounting Policies

### A. Accounting Practices

#### Basis of Financial Statement Presentation

The Company, domiciled in the State of Florida, prepares its statutory financial statements in accordance with accounting practices prescribed or permitted by the Florida Department of Financial Services. Prescribed statutory accounting practices (SAP) include the NAIC Accounting Practices and Procedures Manual (NAIC SAP) and other publications of the National Association of Insurance Commissioners (NAIC), as well as the state laws, regulations and administrative rules of the Florida Office of Insurance Regulations. Statutory accounting and reporting varies from accounting principles generally accepted in the United States (GAAP). The more significant differences from GAAP are as follows:

Policy Acquisitions Costs – NAIC SAP requires the costs of acquiring and renewing business to be expensed when incurred. Under GAAP, such costs, to the extent recoverable, are deferred and amortized over the effective period of the related insurance policies.

Non-Admitted Assets – NAIC SAP excludes certain assets not available for the payment of claims such as past due unpaid premiums, prepaid expenses, certain other healthcare receivables, and furniture and equipment. GAAP records all assets owned by the Company at cost or recoverable amounts.

Reinsurance – NAIC SAP requires that a liability for reinsurance balances be provided for unsecured unearned premiums and unpaid losses ceded to reinsurers authorized to assume such business, and for certain overdue reinsurers balances. Changes to those amounts are credited or charged directly to unassigned surplus. Under GAAP, an allowance for amounts deemed uncollectible would be established through a charge to earnings.

NAIC SAP reports reserves for losses, loss adjustment expenses and unearned premiums ceded to reinsurers as reductions of the related reserves rather than as assets as required by GAAP.

Deferred Income Taxes – NAIC SAP recognizes all deferred tax liabilities and only deferred tax assets that will be realized within one year. GAAP recognizes deferred income taxes on temporary timing differences between GAAP and tax accounting with valuation allowance against deferred tax assets that may not be recoverable.

The financial statements of the Company are presented on the basis of accounting practices prescribed or permitted by the NAIC and the state of Florida and completed in accordance with the NAIC SAP, except for the following item(s) - None - which resulted in no changes to net income and surplus.

The deviations are as follows: None.

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

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

### C. Accounting Policy

#### *Accrued Medicare Premiums*

Insurance premium revenue is recorded on accrual basis of accounting and is recognized as revenues in the period enrolled members are entitled to receive health care services. The services are reported at the estimated net realized amount of the contracted value of services with CMS. Revenue under third party payor agreements is subject to audit and retroactive adjustments. Provisions for estimated third party payor settlements are provided in the period related services are rendered. Differences between the estimated amounts accrued and interim and final settlements are reported in operations in the year of settlement.

#### *Medical Service Cost*

Medical service costs are accrued as services are rendered, including an estimate for claims incurred but not yet reported which is determined using certain actuarial reports, management estimates and other statistics. The liability for claims payable includes claims in process and an estimate for incurred but not yet reported claims (IBNR). Although the degree of variability inherent in the estimate of IBNR is significant and subject to change in the near term, management believes that the estimate is adequate. The IBNR and other expense payments are developed using actuarial methods and assumptions based upon payment patterns, medical costs inflation, historical development and other relevant factors. Estimates of future payments related to services incurred in the current and prior periods are continually reviewed and as adjustments to the reserve become necessary, such adjustments are reflected in current operations. The Company retained the services of a licensed actuary firm to certify the reasonableness of the IBNR.

#### *Reinsurance*

The Company has an agreement with an insurance company to provide reinsurance for members' claims. The reinsurance has a \$200,000 attachment point per member. The policy has a combined eligible facility and professional cost coverage agreement with a maximum of \$1,500,000 per member per policy period. The cost of reinsurance is netted against policy premiums. The reinsurance ceded was \$548,017 for the year ended March 31, 2014.

In addition, the Company uses the following accounting policies:

1. Short-term Investments: NAIC SAP considers all debt instruments with a maturity of one year or less at date of purchase to be short-term investments. Short-term investments are stated at amortized cost. Changes in market value are not recognized until disposition or maturity.
2. Bonds: Bonds are stated at amortized cost. Changes in market value are not recognized until disposition or maturity.
3. Common stocks: Not applicable.
4. Preferred stocks: Not applicable.
5. Mortgage loans: Not applicable.
6. Loan-backed securities: Not applicable.
7. Investments in subsidiaries, controlled and affiliated companies: Not applicable.
8. Investments in joint ventures, partnerships and limited liability companies: Not applicable.
9. Derivatives: Not applicable.
10. Investment income used as a factor in the premium deficiency calculation: Per SAP 54.
11. Estimated liabilities for losses and loss/claim adjustment expenses: Determined from individual case estimates and loss reports and an amount, based on past experience, for losses on IBNR. The methods for making such estimates are continually

reviewed and adjusted in the period determined.

12. Capitalization policy and the resultant predefined threshold changes: None.

13. Pharmaceutical rebate receivables: The Company accrues the pharmaceutical rebate due from its pharmacy benefit manager in the year the benefits are rendered to the Company's members. The related revenue is offset against pharmacy claims expense. Admissibility is in accordance with SAP 84.

2. Accounting Changes and Corrections of Errors

Not applicable.

3. Business Combinations and Goodwill

Not applicable.

4. Discontinued Operations

Not applicable.

5. Investments

Mortgage loans, debt restructuring, reverse mortgages, loan-backed securities, repurchase agreements, real estate, LIHTC: None.

H. Restricted Assets

(1) Restricted Assets (Including Pledged)

	1	2	3	4	5	6
Restricted Asset Category	Total Gross Restricted from Current Year	Total Gross Restricted from Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Admitted Restricted	Percentage Gross Restricted to Total Assets	Percentage Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$ 34,219,356	\$ 5,990,726	\$ 28,228,630	\$ 34,219,356	32.2%	35.2%
b. Collateral held under security lending agreements	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
c. Subject to repurchase agreements	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
d. Subject to reverse repurchase agreements	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
e. Subject to dollar repurchase agreements	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
f. Subject to dollar reverse repurchase agreements	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
g. Placed under option contracts	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
h. Letter stock or securities restricted as to sale	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
i. On deposit with states	\$ 2,300,000	\$ 2,300,000	\$ -	\$ 2,300,000	2.2%	2.4%
j. On deposit with other regulatory bodies	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
k. Pledged as collateral not captured in other categories	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
l. Other restricted assets	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
m. Total Restricted Assets	\$ 36,519,356	\$ 8,290,726	\$ 28,228,630	\$ 36,519,356	34.4%	37.6%

6. Joint Ventures, Partnerships and Limited Liability Companies

Not applicable.

7. Investment Income

A. Investment income due and accrued for the year ended March 31, 2014 is \$14,765.

B. The total amount excluded from surplus was \$0.

**8. Derivative Instruments**

Derivative financial instruments: None.

**9. Income Taxes**

A. The components of the net deferred income tax asset/(liability) at December 31 are as follows:

	12/31/2013			12/31/2012			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	6,933,733	-	6,933,733	6,678,331	-	6,678,331	255,402	-	255,402
(b) Statutory Valuation Allowance Adjustments	-	-	-	-	-	-	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	6,933,733	-	6,933,733	6,678,331	-	6,678,331	255,402	-	255,402
(d) Deferred Tax Assets Nonadmitted	4,331,225	-	4,331,225	5,498,865	-	5,498,865	(1,167,639)	-	(1,167,639)
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	2,602,508	-	2,602,508	1,179,467	-	1,179,467	1,423,041	-	1,423,041
(f) Deferred Tax Liabilities	1,537,276	-	1,537,276	-	-	-	1,537,276	-	1,537,276
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability)	1,065,231	-	1,065,231	1,179,467	-	1,179,467	(114,235)	-	(114,235)

	12/31/2013			12/31/2012			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission Calculation Components SSAP 101									
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	-	-	-	-	-	-	-	-	-
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets from 2(a) above) After Application of the Threshold Limitation. (The lesser of 2(b)1 and 2(b)2 Below)	1,065,231	-	1,065,231	1,151,661	-	1,151,661	(86,430)	-	(86,430)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	3,054,256	-	3,054,256	2,343,305	-	2,343,305	710,951	-	710,951
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	1,065,231	-	1,065,231	1,151,661	-	1,151,661	(86,430)	-	(86,430)
(c.) Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets from 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	1,537,276	-	1,537,276	-	-	-	1,537,276	-	1,537,276
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101.									
Total (2(a) + 2(b) + 2(c.))	2,602,508	-	2,602,508	1,151,661	-	1,151,661	1,450,846	-	1,450,846

	2013	2012		Non-RBC Reporting Entity
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	65.09%	57.99%	RBC %	Adj Gross DTA/Adj 11.b.i Less than 50% 3 years 15%
(b) Amount of Adjusted Capital And Surplus Used to Determine Recovery Period And Threshold Limitation in 2(b)2 Above	10,652,314	11,516,614	Adjusted Gross DTA Adjusted Capital & Surplus	6,933,733 10,652,314 65% Greater than 75% 0 years 0%

	12/31/2013			12/31/2012			Change		
	Ordinary %	Capital %	Total %	Ordinary %	Capital %	Total %	Ordinary %	Capital %	Total %
Impact of Tax Planning Strategies:									
(a) Adjusted Gross DTA's (% of total adjusted gross DTA's)	-	-	-	-	-	-	-	-	-
(b) Net Admitted Adjusted Gross DTA's (% of total net admitted adjusted gross DTA's)	-	-	-	-	-	-	-	-	-
(c.) Does the Company's Tax Planning Strategies Include the Use of Reinsurance	Yes	No	X						

B. Deferred Tax Liabilities Not Recognized

- (1) N/A
- (2) N/A
- (3) N/A
- (4) N/A

C. Current income taxes incurred consist of the following major components

	2013	2012	Change
(1) Current Income Tax			
(a) Federal	62,359	168,072	(105,713)
(b) Foreign tax	-	-	-
(c.) Subtotal	62,359	168,072	(105,713)
(d) Federal Income Tax on Net Capital Gains	-	-	-
(e) Utilization of Capital Loss Carry-Forwards	-	-	-
(f) Other	-	-	-
(g) Federal and Foreign Income Taxes Incurred	62,359	168,072	(105,713)

(2) Deferred Tax Assets:

	2013	2012	Change
(a) Ordinary			
(1) Discounting of Unpaid Losses	665,750	165,765	499,986
(2) Unearned Premium Reserve	481,021	205,169	275,853
(3) Policyholder reserves	858,335	1,624,983	(766,648)
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	676,954	129,526	547,428
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	-	-	-
(11) Net operating loss carry-forward	2,830,569	3,924,291	(1,093,723)
(11) Lease Expense	-	-	-
(13) Tax credit carry-forward	256,077	186,910	69,167
(14) Other (including items <5% of total ordinary tax assets)	362	6,526	(6,164)
Accrued Legal Settlement	337,873	288,949	48,924
Other Invested Assets	826,792	146,213	680,579
(99) Subtotal	6,933,733	6,678,331	255,401
(b) Statutory valuation allowance adjustment	-	-	-
(c.) Nonadmitted	4,331,225	5,498,865	(1,167,639)
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	2,602,508	1,179,467	1,423,041
(e) Capital			
(1) Investments	-	-	-
(2) Net capital loss carry-forward	-	-	-
(3) Real Estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	-	-	-
(99) Subtotal	-	-	-
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	4,331,225	5,498,865	(1,167,640)
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	-	-	-
(i) Admitted deferred tax assets (2d + 2h)	2,602,508	1,179,467	1,423,041

(3) Deferred Tax Liabilities:

(a) Ordinary			
(1) Investments	1,537,276	-	1,537,276
(2) Fixed Assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other (including <5% of total ordinary tax liabilities)	-	-	-
(99) Subtotal	1,537,276	-	1,537,276
(b) Capital:			
(1) Investments	-	-	-
(2) Real Estate	-	-	-
(3) Other (including <5% of total capital tax liabilities)	-	-	-
(99) Subtotal	-	-	-
(c.) Deferred tax liabilities (3a99 + 3b99)	1,537,276	-	1,537,276
(4) Net deferred tax assets/liabilities (2i - 3c)	1,065,231	1,179,467	(114,236)

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

0.34

Among the more significant book to tax adjustments were the following:

	Amount	Tax	Effective Rate
Provision computed at statutory tax rate	4,939,915	1,679,571	34.00%
Change in nonadmitted assets		(526,673)	-10.66%
Tax exempt income, net of proration	-	-	0.00%
Dividends received deduction, net of proration	-	-	0.00%
Valuation Allowance			0.00%
Nondeductible expenses	564,032	191,771	3.88%
Other	(1,280)	(435)	-0.01%
Total statutory income tax expense (benefit)	5,502,667	1,344,234	27.21%
		Tax	Effective Rate
Federal and foreign income taxes incurred		62,359	1.26%
Realized capital gains (losses) tax		-	0.00%
Change in net deferred income taxes		1,281,875	25.95%
Total statutory income tax expense (benefit)		1,344,234	27.21%

E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits

- (1) At December 31, 2013 the company had \$ 8,325,202 net operating loss carryforwards which begin to expire in year 2025.
- (2) The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:
- |    |      |   |
|----|------|---|
| a. | 2013 |   |
| b. | 2012 | - |
| c. | 2011 | - |
| d. | 2010 | - |

F. Consolidated Federal Income Tax Return

- (1) N/A
- (2) The company did not have any protective tax deposits under Deduction 6603 of the Internal Revenue Code.

G. Federal or Foreign Income Tax Loss Contingencies

- (1) The company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

10. Information Concerning Parent, Subsidiaries and Affiliates

A, B, & C. The Company has one significant relationship with a related party.

Florida Cardiology, PA is a provider within the Company's network. For the three months ended March 31, 2014 the Company paid \$240,333 to Florida Cardiology, PA.

D. Amounts due from or to related parties: None

E. The Company has a management services agreement with Intellisight, LLC, a third-party administrator which previously held a certificate of authority to transact the business of an insurance administrator in the State of Florida and a deemed, non-insurance affiliate of the Company, which creates a future contingent liability for the Company (reference Note 14.A.). The Company may be obligated in the future to pay Intellisight, LLC one percent of premium revenue not to exceed a total of \$3,000,000 based on express future conditions, including certain required Company profitability levels, as detailed in the management services agreement. No payments were made during the reporting period under such agreement.

F. Material management or service contracts: None

G. 5,343,904 shares of the Company preferred stock and 1,600 shares of the Company common stock are owned by IDJB Investments, LLC, an affiliated entity as of March 31, 2014. IDJB Investments, LLC also holds \$18,050,000 of surplus notes issued by the Company.

H, I, J, K, & L. Not applicable.

11. Debt

A & B. Outstanding capital notes or other debt: None.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plan

A. Defined benefit plan: None.

B, C, D Not applicable.

E. Defined Contribution Plans

Each participant may voluntarily contribute, on a pre-tax basis, amounts ranging from 1% up to 100% of their annual compensation to the 401(k) Plan, "The Plan" up to the maximum allowable pre-tax voluntary contribution, as determined by the Internal Revenue Service. Eligible employees are automatically enrolled in the Plan to defer 2% of the participant's compensation unless the participant elects a different percentage (including zero). Each January, the Plan's automatic deferral provision will increase by 1% up to a maximum of 10% of compensation. Participants may rollover amounts representing distributions from other eligible retirement plans. Participants may also make after-tax Roth elective contributions. All investments are participant directed.

The Company, at its discretion, may match participant contributions. For the years ended March 31, 2014 and December 31, 2013, the Company did not make any matching contributions to the Plan. In addition, the Company may make discretionary profit sharing contributions which are allocated to all eligible participants as a percent of compensation of all eligible participants. Plan participants must be employed by the Company as of the Plan's year end and have completed at least three months of service during the Plan year in order to earn any discretionary profit sharing contributions. For the years ended March 31, 2014 and December 31, 2013, no discretionary profit sharing contributions were made to the Plan by the Company.

Vesting: Participants are immediately vested in their contributions plus or minus actual earnings and losses thereon. Vesting in the Company's discretionary matching and discretionary profit sharing contributions (and earnings or losses thereon) is based on the following schedule:

<u>Years of Service</u>	<u>Vesting Percentage</u>
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

Participant accounts become fully vested regardless of the above vesting schedule upon death, disability, attainment of normal retirement age (65), or upon termination of the Plan.

- F. Multi-employer plans: None.
- G. Consolidated / holding company plans: None
- H. Postemployment benefits and compensated absences: The Company has no obligations to current or former employees for benefits after their employment but before their retirement other than for compensation related to earned time off (PTO). The liability for earned but untaken (PTO) has not been accrued.
- I. Impact of MMA: Not Applicable

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

1. Common stock: 11,250,000 shares authorized, of which 2,694 shares are issued and outstanding.
2. Preferred stock: 11,250,000 shares authorized, of which 7,467,000 shares are issued and outstanding. All shares are Class A or B shares.
- 3 & 4. Dividend restrictions & payments: The payment of dividends by the Company to its shareholders is limited and cannot be made except in accordance with Florida Statutes 641.365, F.S.
- 5, 6, 7. None
8. There are 1,575,000 shares of Common stock being held as employee stock options.
9. Changes in balances of special surplus funds from the prior year: Not applicable.
10. The portion of unassigned funds (surplus) represented or reduced by each item below is as follows:
 

Cumulative unrealized gains and losses	\$0
--	-----
11. Surplus Notes: The Company has outstanding surplus notes in the amount of \$18,050,000 with IDJB Investments, LLC, an affiliated entity as of March 31, 2014. The detail for each surplus note is as follows:

SURPLUS NOTES						
NAME OF NOTE HOLDER	NOTE NUMBER	ISSUE DATE	PRINCIPAL	INTEREST RATE	ACCRUED INTEREST	TOTAL
IDJB Investments, LLC	PUP – 1	11/16/2006	1,000,000	11.25%	829,726	1,829,726
IDJB Investments, LLC	PUP – 2	2/15/2007	500,000	11.25%	400,839	900,839
IDJB Investments, LLC	PUP – 3	12/31/2007	500,000	11.25%	351,678	851,678
IDJB Investments, LLC	PUP – 4	3/31/2008	1,000,000	8.25%	495,226	1,495,226
IDJB Investments, LLC	PUP – 5	8/4/2008	2,000,000	8.00%	905,205	2,905,206
IDJB Investments, LLC	PUP – 6	8/13/2008	2,000,000	8.00%	901,260	2,901,260
IDJB Investments, LLC	PUP – 7	9/26/2008	200,000	8.00%	88,197	288,197
IDJB Investments, LLC	PUP – 8	12/17/2008	550,000	8.00%	232,658	782,658
IDJB Investments, LLC	PUP – 9	1/23/2009	4,000,000	6.25%	1,296,575	5,296,575
IDJB Investments, LLC	PUP – 10	3/31/2009	2,750,000	7.00%	963,027	3,713,027
IDJB Investments, LLC	PUP – 11	5/14/2009	500,000	7.00%	170,877	670,877
IDJB Investments, LLC	PUP – 12	5/22/2009	1,000,000	7.00%	340,219	1,340,219
IDJB Investments, LLC	PUP – 13	3/24/2010	1,550,000	9.00%	561,058	2,111,058
IDJB Investments, LLC	PUP – 14	2/23/2011	500,000	9.00%	139,562	639,562
<b>TOTALS</b>			<b>\$18,050,000</b>		<b>\$7,676,108</b>	<b>\$25,726,108</b>

12 & 13. Restatement of surplus due to quasi-reorganizations: None.

### 14. Contingencies

- A. Contingent Commitments: The Company does not have any except for the contingent liability with an affiliated entity already referenced in Note 10.E.
- B. Assessments: None.
- C. Gain contingencies: None.
- D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits: None

E. All other contingencies: None

15. Leases

A. The Company leases office space and equipment under various non-cancellable operating leases that expire through 2018. Rental expense for the year ended March 31, 2014 was \$2,769,952.

At December 31, 2013, the minimum aggregate rental commitments are as follows for the five succeeding years.

<u>Year Ending December 31</u>	<u>Operating Leases</u>
2014	\$11,111,271
2015	11,644,989
2016	10,865,933
2017	9,575,034
2018	<u>6,671,530</u>
Total	\$49,868,757

Sale-leaseback transactions: During the years ended December 31, 2013 and 2012, the Company entered into ten sale/leaseback transactions with an unrelated third party under which equipment and risk-sharing receivables were sold to the third party and then leased back by the Company under terms that require monthly payments over periods ranging from four to six years in amounts ranging from approximately \$8,600 to \$203,300 per month per lease. Under the sale portion of the agreements, the Company received cash totaling approximately \$27,650,000 and \$4,340,000 during the years ended December 31, 2013 and 2012, respectively.

B. Lessor leases or leveraged leases: None.

16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

The Company maintains cash, money market, and CD balances at various commercial banks and brokerage firms. The balances at times may exceed the amounts insured by the Federal Deposit Insurance Corporation (FDIC) and/or the Securities Investor Protection Corporation (SIPC).

See Note 15 above related to Sale-leaseback transactions. Provisions in the agreements subject the Company to "off-balance sheet risk" for the collection of approximately \$26 million in risk-sharing receivables that were sold to an unrelated third party under the transactions.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of receivables reported as sales: None.

B. Transfer and servicing of financial assets: None.

C. Wash sales: None.

18. Gain or Loss to the Reporting Entity from Uninsured Portion of Partially Insured Plans

Not applicable.

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

Not applicable.

20. Fair Value Measurements

Not applicable.

21. Other Items

A. Extraordinary items: None

B. Troubled debt restructuring: None.

C. Other disclosures: The Company received a regulatory Order from the Florida Office of Insurance Regulation, filed March 14, 2014, requiring it to non-admit \$12.5 million of cash and cash equivalents which the Florida Office of Insurance Regulation considers not available for use in satisfying policyholder obligations due to a restriction on those assets. The Company appealed the Order and will continue to include these assets in the accompanying statutory financial statements subject to the outcome of the appeal.

D. Balance that is reasonably possible to be uncollectible: None.

E. Business interruption insurance recoveries: None.

F. State transferable tax credits: None.

G. Subprime-mortgage-related risk exposure: None.

H. Retained Assets: None.

22. Events Subsequent

Subsequent events have been considered through May 15, 2014 for the statutory statement issued on May 15, 2014.

Due to the regulatory Order mentioned above in 21(C), Pacific Western Equipment Finance ("PacWest") determined the Company in default of a covenant in the master lease agreement that the Company had with PacWest. On April 16, 2014, PacWest exercised its right to terminate the leases and collect the amounts held as security interest. PacWest subsequently returned all of the assets associated with the sale-leaseback transactions to the Company.

Type II – Non-recognized subsequent events

Subsequent events have been considered through March 31, 2014 for the statutory statement issued on April 1, 2014.

On January 1, 2014, the Company will be subject to an annual fee under section 9010 of the Affordable Care Act ("ACA"). This annual fee will be allocated to individual health insurers based on the ratio of the amount of the entity's net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity's portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1, 2014. As of December 31, 2013, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2014, and estimates their portion of the annual health insurance industry fee to be payable on September 30, 2014 to be \$2,550,000. The FL OIR has not adopted the NAIC's risk based capital ("RBC")

model as part of its minimum capital requirements, therefore the table below reflects an RBC impact of 0%.

A. ACA fee assessment payable	\$2,550,000
B. Assessment expected to impact RBC	0%

23. Reinsurance

C. Ceded reinsurance report

Section 1 – General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? No.
- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States that is in excess of 10% or controlled, either directly or indirectly, by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business? No.

Section 2 – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit? No.
- (2) Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? No.

Section 3 – Part B

- (1) Not Applicable
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement? No.

D. Uncollectible Reinsurance

Not applicable

E. Commutation of Ceded Reinsurance

Not applicable

F. Certified Reinsurer Rating Downgraded of Status Subject to Revocation

Not applicable

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

Annually, the Company uses an outside actuary to calculate accrued retrospective revenues owed to the Company by CMS for risk adjustment related to the Company's membership using data reports and response files from CMS.

25. Change in Incurred Claims and Claim Adjustment Expenses

The Company adjusted prior year claims reserves as per an independent actuarial analysis.

26. Intercompany Pooling Arrangements

Not applicable.

27. Structured Settlements

Not applicable.

28. Health Care Receivables

- A. Pharmaceutical rebate receivables - The methodology being used to estimate pharmaceutical rebate receivables is the last known billed rebate amount calculated as a percentage of total pharmacy costs for that period. This percentage is applied to the most recent periods total pharmacy costs. At March 31, 2014 the pharmaceutical rebate receivable was \$6,092,899.



Quarter	Estimated Pharmacy Rebates as Reported on F/S	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91-180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
3/31/14	3,606,579				
12/31/13	2,486,320				
9/30/13	2,430,710	2,430,710	2,430,710		
6/30/2013	2,033,939	<b>2,033,939</b>	<b>2,072,704</b>		
3/31/2013	1,879,240	1,879,240	<b>1,879,240</b>		
12/31/2012	1,250,562	1,250,562	1,242,884		
9/30/2012	1,168,057	1,166,680	1,166,680		
6/30/2012	1,213,554	1,089,630	1,087,395		
3/31/2012	1,205,596	1,096,551	1,101,604		
12/31/2011	823,918	823,522	828,575		
9/30/2011	786,600	819,755	815,742		
6/30/2011	744,126	817,985	817,985		
3/31/2011	751,580	777,227	777,227		
12/31/2010	573,114	573,114	573,114		
9/30/2010	748,005	596,341	596,341		
6/30/2010	691,137	593,173	593,173		
3/31/2010	737,581	607,109	607,109		
12/31/2009	884,129	860,543	860,978		
9/30/2009	843,305	932,686	932,686		
6/30/2009	805,769	856,570	856,570		
3/31/2009	727,096	726,279	726,279		

B. Risk sharing receivables - The methodology being used to estimate risk sharing receivables varies based on each risk sharing arrangement. At March 31, 2014 the risk sharing receivable was \$34,557,126.

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable as Estimated in Prior Year	Risk Sharing Receivable as Estimated in Current Year	Risk Sharing Receivable Billed	Risk Sharing Receivable Not Yet Billed	Actual Risk Sharing Amounts Received in Year Billed	Actual Risk Sharing Amounts Received First Subsequent Year	Actual Risk Sharing Amounts Received Second Subsequent Year	Actual Risk Sharing Amounts Received - All Other
2014	2014		10,940,109	-	10,940,109	3,224,176	-		
	2013	47,148,738	37,704,105	1,056,262	36,647,843	-	14,515,295		
	2012	6,563,093	6,580,399	2,809,114	3,771,285	-	3,778,739		
2013	2013		47,148,738		47,148,738	18,708,141	-		
	2012	7,970,207	6,563,093	4,073,762	2,489,331		2,870,287		
	2011	686,219	559,292	1,399,791	-840,499		1,383,372		
2012	2012		7,970,207		8,229,707				
	2011	954,541	686,219	1,513,999	165,861	1,315,353			
	2010	2,058,019	8,644	911,857	25,682	1,207,527	-		

29. Participating Policies

Not applicable.

30. Premium Deficiency Reserves

As of March 31, 2014, the Company had \$0 liabilities related to PDR.

31. Anticipated Salvage and Subrogation

Not applicable.

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES - GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [ X ]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [ X ]
- 2.2 If yes, date of change: .....
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [ ] No [ X ]  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [ X ]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.

\_\_\_\_\_

- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [ X ]
- 4.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [ ] No [ X ] N/A [ ]  
If yes, attach an explanation.

\_\_\_\_\_

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .....12/31/2013.....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .....12/31/2009.....
- 6.3 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). .....4/8/2011.....
- 6.4 By what department or departments?  
The Florida Office of Insurance Regulation.

\_\_\_\_\_

- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [ X ] No [ ] N/A [ ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ X ] No [ ] N/A [ ]
- 7.1 Has this 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 ]
- 7.2 If yes, give full information:

\_\_\_\_\_

- 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 the response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), 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 FDIC	6 SEC

- 9.1 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.

- 9.11 If the response to 9.1 is No, please explain:  
\_\_\_\_\_  
\_\_\_\_\_

- 9.2 Has the code of ethics for senior managers been amended? Yes [ ] No [ X ]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

\_\_\_\_\_

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

**GENERAL INTERROGATORIES**  
**PART 1 - COMMON INTERROGATORIES - GENERAL**

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

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**PART 1 - FINANCIAL**

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

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

**PART 1 - INVESTMENT**

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [ ] No [X]

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

---



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12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$.....0

13. Amount of real estate and mortgages held in short-term investments: \$.....0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [ ] No [X]

14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds.....	\$ .....0	\$ .....0
14.22 Preferred Stock.....	\$ .....0	\$ .....0
14.23 Common Stock.....	\$ .....0	\$ .....0
14.24 Short-Term Investments.....	\$ .....0	\$ .....0
14.25 Mortgage Loans on Real Estate.....	\$ .....0	\$ .....0
14.26 All Other.....	\$ .....0	\$ .....0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ .....0	\$ .....0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above.....	\$ .....0	\$ .....0

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [ ] No [X]

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

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16. For the reporting entity's security lending program, state the amount of the following as of current statement date:

- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$.....0
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$.....0
- 16.3 Total payable for securities lending reported on the liability page: \$.....0

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

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

1	2
Name of Custodian(s)	Custodian Address

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

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
Wells Fargo Bank	800 N Magnolia Ave, Orlando, FL 32803	Non-Compliant Custodial Agreement
MB Financial Bank	6111 N. River Road, Rosemont, IL 60018	Non-Compliant Custodial Agreement

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [ ] No [X]

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

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

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

1	2	3
Central Registration Depository	Name(s)	Address

**PART 1 - INVESTMENT**

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

Yes [ X ]    No [   ]

18.2 If no, list exceptions:

---

**GENERAL INTERROGATORIES (continued)**

**PART 2 - HEALTH**

1. Operating Percentages:		
1.1 A&H loss percent		<u>85.7 %</u>
1.2 A&H cost containment percent		<u>3.7 %</u>
1.3 A&H expense percent excluding cost containment expenses		<u>13.7 %</u>
2.1 Do you act as a custodian for health savings accounts?	Yes [ <input type="checkbox"/> ]	No [ <input checked="" type="checkbox"/> ]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.		<u>0</u>
2.3 Do you act as an administrator for health savings accounts?	Yes [ <input type="checkbox"/> ]	No [ <input checked="" type="checkbox"/> ]
2.4 If yes, please provide the amount of funds administered as of the reporting date.		<u>0</u>

## SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
<b>A&amp;H Non-Affiliates</b>								
10227.....	134924125.....	01/01/2014	Munich Reinsurance America Inc.....	DE.....	SSL/A/I.....	Authorized.....	.....	.....

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

Current Year to Date - Allocated by States and Territories

State, Etc.	1 Active Status	Direct Business Only							9 Deposit-Type Contracts
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums and Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 through 7	
1. Alabama.....AL	N								0
2. Alaska.....AK	N								0
3. Arizona.....AZ	N								0
4. Arkansas.....AR	N								0
5. California.....CA	N								0
6. Colorado.....CO	N								0
7. Connecticut.....CT	N								0
8. Delaware.....DE	N								0
9. District of Columbia.....DC	N								0
10. Florida.....FL	L		122,233,260						122,233,260
11. Georgia.....GA	N								0
12. Hawaii.....HI	N								0
13. Idaho.....ID	N								0
14. Illinois.....IL	N								0
15. Indiana.....IN	N								0
16. Iowa.....IA	N								0
17. Kansas.....KS	N								0
18. Kentucky.....KY	N								0
19. Louisiana.....LA	N								0
20. Maine.....ME	N								0
21. Maryland.....MD	N								0
22. Massachusetts.....MA	N								0
23. Michigan.....MI	N								0
24. Minnesota.....MN	N								0
25. Mississippi.....MS	N								0
26. Missouri.....MO	N								0
27. Montana.....MT	N								0
28. Nebraska.....NE	N								0
29. Nevada.....NV	N								0
30. New Hampshire.....NH	N								0
31. New Jersey.....NJ	N								0
32. New Mexico.....NM	N								0
33. New York.....NY	N								0
34. North Carolina.....NC	N								0
35. North Dakota.....ND	N								0
36. Ohio.....OH	N								0
37. Oklahoma.....OK	N								0
38. Oregon.....OR	N								0
39. Pennsylvania.....PA	N								0
40. Rhode Island.....RI	N								0
41. South Carolina.....SC	N								0
42. South Dakota.....SD	N								0
43. Tennessee.....TN	N								0
44. Texas.....TX	N								0
45. Utah.....UT	N								0
46. Vermont.....VT	N								0
47. Virginia.....VA	N								0
48. Washington.....WA	N								0
49. West Virginia.....WV	N								0
50. Wisconsin.....WI	N								0
51. Wyoming.....WY	N								0
52. American Samoa.....AS	N								0
53. Guam.....GU	N								0
54. Puerto Rico.....PR	N								0
55. U.S. Virgin Islands.....VI	N								0
56. Northern Mariana Islands.....MP	N								0
57. Canada.....CAN	N								0
58. Aggregate Other alien.....OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal.....XXX		0	122,233,260	0	0	0	0	122,233,260	0
60. Reporting entity contributions for Employee Benefit Plans.....XXX								0	
61. Total (Direct Business).....(a)	1	0	122,233,260	0	0	0	0	122,233,260	0

**DETAILS OF WRITE-INS**

58001.....								0	
58002.....								0	
58003.....								0	
58998. Summary of remaining write-ins for line 58 from overflow page.....		0	0	0	0	0	0	0	0
58999. Total (Lines 58001 thru 58003 plus 58998) (Line 58 above).....		0	0	0	0	0	0	0	0

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

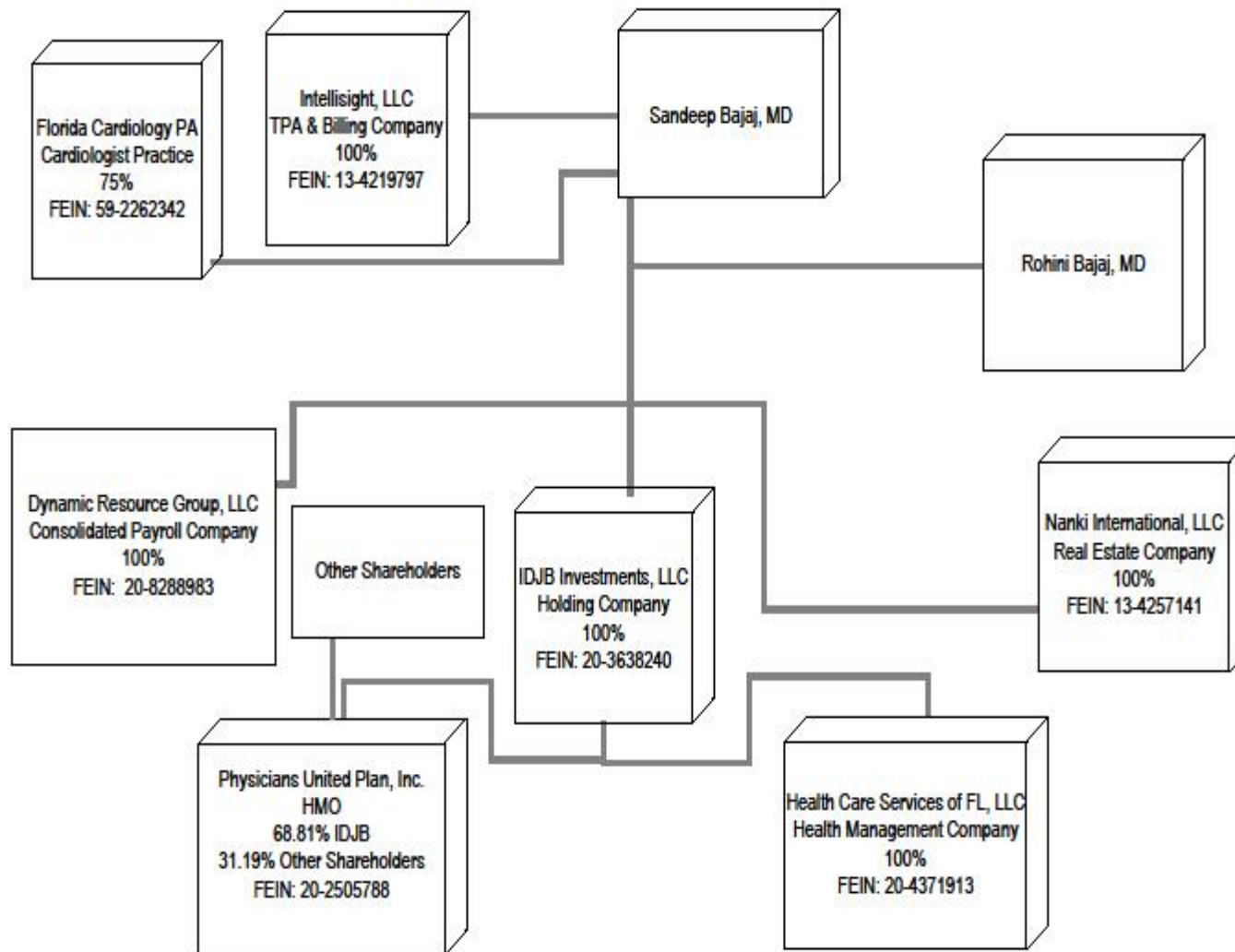
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

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

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

## PART 1 – ORGANIZATIONAL CHART

### Organization Chart





**SCHEDULE Y**

**PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*

**NONE**

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Asterisk	Explanation
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**NONE**

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

**Response**

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

SEE EXPLANATION

**Explanation:**

1. NOT APPLICABLE.

**Bar Code:**



**NONE**

**PHYSICIANS UNITED PLAN, INC.**  
**SCHEDULE A - VERIFICATION**

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Current year change in encumbrances.....		
4. Total gain (loss) on disposals.....		
5. Deduct amounts received on disposals.....		
6. Total foreign exchange change in book/adjusted carrying value.....		
7. Deduct current year's other than temporary impairment recognized.....		
8. Deduct current year's depreciation.....		
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

NONE

**SCHEDULE B - VERIFICATION**

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and mortgage interest points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....		
10. Deduct current year's other than temporary impairment recognized.....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

NONE

**SCHEDULE BA - VERIFICATION**

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and depreciation.....		
9. Total foreign exchange change in book/adjusted carrying value.....		
10. Deduct current year's other than temporary impairment recognized.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	0	0

NONE

**SCHEDULE D - VERIFICATION**

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	78,715	755,043
2. Cost of bonds and stocks acquired.....		79,986
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration for bonds and stocks disposed of.....		756,314
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	78,715	78,715
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	78,715	78,715

## SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a).....	32,045,616	2,095	14,999,627		17,048,084			32,045,616
2. NAIC 2 (a).....								
3. NAIC 3 (a).....								
4. NAIC 4 (a).....								
5. NAIC 5 (a).....								
6. NAIC 6 (a).....								
7. Total Bonds.....	32,045,616	2,095	14,999,627	0	17,048,084	0	0	32,045,616
<b>PREFERRED STOCK</b>								
8. NAIC 1.....								
9. NAIC 2.....								
10. NAIC 3.....								
11. NAIC 4.....								
12. NAIC 5.....								
13. NAIC 6.....								
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	32,045,616	2,095	14,999,627	0	17,048,084	0	0	32,045,616

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(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:  
NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

## SCHEDULE DA - PART 1

### Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999.....	15,462,396	XXX.....	15,462,396	2,095	

## SCHEDULE DA - VERIFICATION

### Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	15,460,301	6,620,293
2. Cost of short-term investments acquired.....	2,095	15,460,301
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....		6,620,293
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	15,462,396	15,460,301
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	15,462,396	15,460,301

**Sch. DB-Pt A-Verification  
NONE**

**Sch. DB-Pt B-Verification  
NONE**

**Sch. DB-Pt C-Sn 1  
NONE**

**Sch. DB-Pt C-Sn 2  
NONE**

**Sch. DB-Verification  
NONE**

## SCHEDULE E- VERIFICATION

### Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	16,506,600	
2. Cost of cash equivalents acquired.....		16,506,600
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	14,999,627	
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/ adjusted carrying value.....		
9. Deduct current year's other than temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	1,506,973	16,506,600
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	1,506,973	16,506,600



**Sch. A-Pt 2  
NONE**

**Sch. A-Pt 3  
NONE**

**Sch. B-Pt 2  
NONE**

**Sch. B-Pt 3  
NONE**

**Sch. BA-Pt 2  
NONE**

**Sch. BA-Pt 3  
NONE**

**Sch. D-Pt 3  
NONE**

**Sch. D-Pt 4  
NONE**

**Sch. DB-Pt A-Sn 1  
NONE**

**Sch. DB-Pt A-Sn 1-Footer A  
NONE**

**Sch. DB-Pt A-Sn 1-Footer B  
NONE**

**Sch. DB-Pt B-Sn 1  
NONE**

**Sch. DB-Pt B-Sn 1-Footer A  
NONE**

**Sch. DB-Pt B-Sn 1-Footer B  
NONE**

**Sch. DB-Pt B-Sn 1B-Broker List  
NONE**

**Sch. DB-Pt D-Sn 1  
NONE**

**Sch. DB-Pt D-Sn 2  
NONE**

**Sch. DL-Pt. 1  
NONE**

**Sch. DL-Pt. 2  
NONE**

**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
<b>Open Depositories</b>								
PNC Bank.....	Orlando, FL.....				13,012			XXX..
Centennial Bank.....	Orlando, FL.....		136		570,857	570,874	570,921	XXX..
First Bank of St. Louis.....	St. Louis, MO.....		2,252		14,776,901	14,777,572	14,778,211	XXX..
Wells Fargo.....	Orlando, FL.....		15,219		(13,760,875)	(3,220,593)	(811,294)	XXX..
State of Florida.....	Dept of Financial Services - Tallahassee, FL.....		5,770	5,730	2,430,327	2,430,327	2,430,327	XXX..
0199999. Total Open Depositories.....	...XXX.....	...XXX.....	23,377	5,730	4,030,222	14,558,180	16,968,165	XXX..
0399999. Total Cash on Deposit.....	...XXX.....	...XXX.....	23,377	5,730	4,030,222	14,558,180	16,968,165	XXX..
0599999. Total Cash.....	...XXX.....	...XXX.....	23,377	5,730	4,030,222	14,558,180	16,968,165	XXX..

## SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
<b>U.S. Government Bonds - Issuer Obligations</b>							
WELLS FARGO CD.....							
0199999. U.S. Government Bonds - Issuer Obligations.....					.0	.0	.0
0599999. Total - U.S. Government Bonds.....					.0	.0	.0
<b>Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations</b>							
WELLS FARGO CD.....		03/08/2014	0.100	04/07/2014	1,506,973		373
3299999. Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations.....					1,506,973	.0	373
3899999. Total - Industrial and Miscellaneous (Unaffiliated).....					1,506,973	.0	373
<b>Total Bonds</b>							
7799999. Subtotals - Issuer Obligations.....					1,506,973	.0	373
8399999. Subtotals - Bonds.....					1,506,973	.0	373
8699999. Total - Cash Equivalents.....					1,506,973	.0	373

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