



Southern Family Insurance Company

INSOLVENCY REPORT

February 12, 2016

Fred Staubitz
Accounting Manager
Florida Department of Financial Services
Division of Rehabilitation and Liquidation
P.O. Box 110
Tallahassee, Florida 32302-0110

Receivership Information/Reference:

Name of Receivership	Southern Family Insurance Company
Receivership Number	508
Date of Rehabilitation	April 25, 2006
Date of Liquidation	June 1, 2006
Guaranty Association	Florida Insurance Guarantee Association ("FIGA")

Scope:

As provided in the Amendment to the Provider Contract between the "Receiver of Florida Preferred Property Insurance Company", (the Receiver being the Florida Department of Financial Services, Division of Rehabilitation and Liquidation), hereinafter referred to as "RECEIVER", and Berkowitz Pollack Brant Advisors and Accountants ("BPB"), (formerly known as Berkowitz Dick Pollack & Brant Certified Public Accountants and Consultants, LLP), hereinafter referred to as "PROVIDER" effective August 4, 2015, under Section 5, SCOPE OF WORK, states in part:

- 1) Prepare an insolvency summary report ("Insolvency Report"), pursuant to the requirements of 631.398(3), Florida Statutes, relating to the history and causes of insolvency, including a statement of the business practices of Southern Family Insurance Company, which led to its insolvency.
- 2) For the Receivership of Southern Family Insurance Company, ("SFIC") PROVIDER will review SFIC's records in the RECEIVER's possession for information relating to the cause(s) of SFIC's insolvency and prepare and submit an approved, written summary report on those causes.

The authority under which the insolvency report is written is Section 631.398, Florida Statutes which states as follows:

The 2006 Florida Statutes

Title XXXVII

Chapter 631

INSURANCE

INSURER INSOLVENCY; GUARANTY OF PAYMENT

631.398 Prevention of insolvencies.--To aid in the detection and prevention of insurer insolvencies or impairments:

(1) Any member insurer; agent, employee, or member of the board of directors; or representative of any insurance guaranty association may make reports and recommendations to the department or office upon any matter germane to the solvency, liquidation, rehabilitation, or conservation of any member insurer or germane to the solvency of any company seeking to do an insurance business in this state. Such reports and recommendations are confidential and exempt from the provisions of s. [119.07](#)(1) until the termination of a delinquency proceeding.

(2) The office shall:

(a) Report to the board of directors of the appropriate insurance guaranty association when it has reasonable cause to believe from any examination, whether completed or in process, of any member insurer that such insurer may be an impaired or insolvent insurer.

(b) Seek the advice and recommendations of the board of directors of the appropriate insurance guaranty association concerning any matter affecting the duties and responsibilities of the office in relation to the financial condition of member companies and companies seeking admission to transact insurance business in this state.

(3) The department shall, no later than the conclusion of any domestic insurer insolvency proceeding, prepare a summary report containing such information as is in its possession relating to the history and causes of such insolvency, including a statement of the business practices of such insurer which led to such insolvency.

History.--ss. 28, 39, ch. 83-38; ss. 187, 188, ch. 91-108; s. 4, ch. 91-429; ss. 2, 6, ch. 93-118; s. 385, ch. 96-406; s. 1351, ch. 2003-261.

The locations and dates of our review of files in the RECEIVER's possession were as follows:

Beginning in October 2009, the Receiver produced the records of SFIC electronically to employees of BPB, Richard A. Pollack, CPA, David J. Siegel, CPA and Martin Prinsloo, CPA. The accounting and business records of SFIC, Poe Financial Group, Inc. ("PFG"), Poe Insurance Managers, Inc. ("PIM"), Mariah Claims Services, Inc. ("Mariah") and other affiliates of SFIC were produced to BPB by the Receiver as needed and utilized by employees of BPB to assist the Receiver and Receiver's Counsel.

Business: Historical information related to the company is as follows:

1. **Date and Location of Incorporation:** Originally incorporated in the State of Florida in 1996 as Southern Family Insurance Company.
2. **Date Company began doing business in Florida:** During 1996 the Company applied for and was issued a Certificate of Authority by the Florida Office of Insurance Regulation to operate as a property and casualty insurance company in the State of Florida. The Company began operations in 1996.¹
3. **Lines of business:** The Company was licensed to write commercial lines, homeowners, fire, allied and several other lines of insurance in the state of Florida.²
4. **Certificates of Authority:** The Company was granted a Certificate of Authority by the Florida Office of Insurance Regulation ("OIR") to operate as a property and casualty insurance company in 1996.³
5. **Geographic Areas:** The Company's geographic area of insurance coverage was Florida.
6. **Operating Results:** According to the 2005 Annual Statement and the March 31, 2006 quarterly financial statements of the company:
 - a) Net Premiums Earned⁴ was \$4,952,892 for the three months ended 3/31/2006 and \$35,686,528 for the year ended December 31, 2005.
 - b) Net Underwriting Losses⁵ were (\$20,396,234) for the three months ended 3/31/2006, and (\$20,198,486) for the year ended December 31, 2005.

1. Per Independent Auditors' Report, Note 1. Issued by Deloitte & Touche LLP on March 29, 2005.

2. *ibid.*

3. *ibid.*

4. Net of reinsurance

5. *ibid.*

- c) Net Income (Loss) was (\$18,536,954) for the three months ended 3/31/2006 and (\$10,662,391) for the year ended December 31, 2005.

7. Ownership:

SFIC was a wholly owned subsidiary of Poe Insurance Holdings, Inc. (“PIH”). PIH is a wholly owned subsidiary of PFG, a Florida Corporation.⁶

8. Affiliates

All of SFIC’s direct written premium business was processed by PIM. PIM was a managing general agency owned by PFG. Mariah, a wholly owned subsidiary of PFG, managed all of SFIC’s claims processing operations.⁷

Management: People involved with the ownership and management of the Company were as follows:⁸

Name: William F. Poe Jr.
Job Title: President, Director
Dates of Employment: 1996 to 2006

Name: Charles E. Poe
Job Title: Treasurer, Director
Dates of Employment: 1996 to 2006

Name: Thomas S. Krzesinski
Job Title: Secretary
Dates of Employment: 1996 to 2006

Name: Jan J. Meder
Job Title: Chief Financial Officer, Director
Dates of Employment: 1996 to 2006

Name: James E. Wurdeman
Job Title: Chairman, Director
Dates of Employment: 1996 to 2006

Name: William F. Poe, Sr.
Job Title: Director
Dates of Employment: 1996 to 2006

6. *ibid.*

7. *ibid.*

8. Per FPPIC’s Quarterly Statement as of March 31, 2006

Background/Events of Impact:

SFIC suffered extensive losses from eight hurricanes that struck Florida in 2004 and 2005. The Company's capital and surplus was below risk based capital levels as reported as of December 31, 2005. As a result of its financial condition SFIC ceased writing new and renewal policies on or about March 5, 2006.⁹ SFIC consented to go into Receivership for the purpose of rehabilitation on April 25, 2006. The company recorded adverse loss development in the first quarter of 2006 and reported negative capital and surplus as of March 31, 2006. SFIC was unable to obtain additional capital and DFS filed a petition to place SFIC in liquidation. SFIC was ordered into Receivership by the Court for purposes of liquidation effective June 1, 2006.

Underwriting Results:

According to the SFIC's Financial Statements, there were Net Underwriting Losses of (\$95,280,314) for 2004, (\$20,198,486) for 2005 and (\$20,396,234) for the three months ended March 31, 2006.

Reinsurance:

Quota Share:

For all residential policies SFIC was covered by a 60% quota share reinsurance contract for the period of July 1, 2004 to June 30, 2005. The 60% quota share agreement was replaced with 78.025% of residential quota share reinsurance coverage for the period of July 1, 2005 to June 30, 2006.

SFIC's commercial policies were covered by a 35% quota share treaty effective 7/1/2004 to 6/30/2005. From 7/1/2005 to 6/30/2006 SFIC's commercial policies were covered by a 58.5% commercial quota share reinsurance contract. SFIC's machinery and equipment policies were covered by a 100% quota share treaty.

Catastrophe Excess of Loss:

SFIC had a commercial property Excess of Loss Reinsurance Contract effective July 1, 2004 through October 1, 2005; this coverage was replaced with a new reinsurer effective October 1, 2005. The contract provided \$5 million of coverage excess of \$5 million per occurrence. Additional layers of \$5 million excess of \$10 million, \$5 million excess of \$15 million, \$5 million excess of \$20 million and \$5 million excess of \$25 million per risk of commercial property reinsurance coverage was provided by automatic facultative contracts.

SFIC had a Personal Lines Catastrophe Excess of Loss Reinsurance Contract effective July 1, 2005

9. Per SFIC company information on the Receiver's website -
<http://myfloridacfo.com/Division/Receiver/Companies/SouthernFamily/CompanyInformation.htm>

through July 1, 2006. The contract was by occurrence or hurricane with one layer of \$150 million in excess of \$150 million. The contract allowed for one reinstatement of the occurrence limit for an additional 100% of premium.

As a Florida property insurer, the Company participated in the Florida Hurricane Catastrophe Fund (“FHCF”), a mandatory state pool. The FHCF provided per occurrence reinsurance coverage to the Company in the event of hurricane losses exceeding certain limits. SFIC contracted for the maximum coverage amount of 90% for both 2004 and 2005.

Financial Highlights:

The following financial information is per the 2005 Annual Statement, which includes 2004 results, and the March 31, 2006 Quarterly Statement of the company:

Description	Year Ended 12/31/2004	Year Ended 12/31/2005	3 Mos. Ended 3/31/2006
Total Admitted Assets	\$ 142,881,231	\$ 71,783,862	\$ 62,506,724
Total Liabilities	124,110,518	67,271,829	77,324,675
Surplus (Deficit)	\$ 18,770,713	\$ 4,512,033	\$ (14,817,951)
Premiums Earned	\$ 75,998,650	\$ 35,686,528	\$ 4,952,892
Total Underwriting Deductions	<u>(171,278,964)</u>	<u>(55,885,014)</u>	<u>(25,349,126)</u>
Net Underwriting Loss	\$(95,280,314)	\$(20,198,486)	\$(20,396,234)
Net Investment Gain	3,077,404	9,883,087	867,076
Other Income	1,154	89,739	
Federal and foreign income taxes incurred, (Recovered)	<u>(18,969,024)</u>	<u>436,731</u>	<u>(992,204)</u>
Net Loss	\$ (73,232,733)	\$ (10,662,391)	\$ (18,536,954)

Causes of Insolvency:

SFIC was incorporated and received its certificate of authority from the DFS in 1996. The Company began operations by removing homeowners' and commercial policies from Citizens Property Insurance Corporation ("Citizens") under a series of agreements known as take-out agreements. The Company concluded the take-out process in 1999 but continued to renew policies originally taken out from Citizens and wrote new business from the voluntary market.

SFIC was a wholly owned subsidiary of PIH. PIH was a wholly owned subsidiary of PFG. All of the Company's direct written and assumed business was processed by PIM and all claims were managed by Mariah, affiliates of SFIC.¹⁰

SFIC was a profitable company prior to the 2004 hurricane season. As of June 30, 2004 SFIC reported Surplus of \$93,139,899 in its Quarterly Statement. After experiencing heavy losses from the four hurricanes (hurricanes Charley, Francis, Jeanne and Ivan) that made landfall in Florida in the third quarter of 2004 SFIC reported Surplus of \$18,770,713 in its 2004 Annual Statement. SFIC continued to record losses from the 2004 hurricanes and reported adverse loss development in every quarter of 2005.

Four more hurricanes made landfall in Florida in 2005, (hurricanes Katrina, Dennis, Rita and Wilma); hurricane Wilma was by far the costliest. SFIC reported a loss of \$(10,662,391) for the year ended December 31, 2005 and an additional loss of \$(18,536,954) for the first quarter of 2006. SFIC's net loss for the quarter ended 3/31/2006 included approximately \$10 million of adverse loss development from prior years' claims

Adverse loss development occurs when estimates for unpaid claims are understated in the period in which the loss occurs. Under statutory accounting principles, the cost of claims must be recorded in the period in which the loss event occurred. Unpaid claim costs must be estimated and recorded as both an expense and a liability as of the financial statement reporting date. If the estimate for unpaid claims is understated, the cost of the claims over and above the estimate is recorded in the period in which it is paid or recognized, causing the expense to be recorded in the wrong period. SFIC consistently underestimated and under-reported the cost of the 2004 claims understating the loss in 2004 and overstating SFIC's Surplus as of December 31, 2004.

SFIC reported adverse loss development after December 31, 2004 as follows:

Year to date as of - March 31, 2005 -	\$ 3.668 million
June 30, 2005 -	\$ 6.050 million
September 30, 2005 -	\$ 20.497 million
December 31, 2005 -	\$ 23.441 million

10. Per Independent Auditors' Report, Note 1. Issued by Deloitte & Touche LLP on March 29, 2005.

SFIC reported adverse loss development after December 31, 2005 as follows:

Quarter ended - March 31, 2006 - \$ 10.133 million

The Receiver's investigation of SFIC's accounting practices found that the understatement of SFIC's loss reserves as of December 31, 2004 was significant and that other accounting irregularities including improperly accounting for premium payments as capital contributions also occurred. The Receiver filed complaints seeking the recovery of damages from SFIC's professionals, officers and directors which resulted in settlements and recoveries for the SFIC Estate.

Summary and Conclusion:

SFIC was a Florida corporation that was formed in 1996 and was headquartered in Tampa, Florida. Authorized as a domestic property and casualty insurer, SFIC wrote homeowners multi-peril, allied lines, fire insurance and commercial coverage. In May 2006 SFIC reported an insolvent financial condition on its quarterly financial statement as of March 31, 2006. As a result of its financial condition, the Company ceased offering new and renewal policies on or about March 6, 2006. SFIC was found to be insolvent and ordered into liquidation on June 1, 2006. As of June 1, 2006 SFIC had approximately 44,500 policies in force.

In conjunction with the OIR, FIGA and Citizens, the Receiver developed a plan to provide for an orderly transition of eligible policyholders from SFIC to other insurers or to Citizens. The plan was submitted to and approved by the Court on June 2, 2006. Under the Liquidation Plan, eligible policyholders were automatically transitioned to Citizens effective July 1, 2006 without the need for a new application or additional underwriting review. Effective June 1, 2006, the Second Judicial Circuit Court in Leon County, Florida, entered orders placing SFIC in receivership for purposes of liquidation. The Florida Department of Financial Services is the court-appointed Receiver of SFIC.

APPENDIX

Statutory Annual Statement as of December 31, 2005, pages 10 – 115.

Statutory Quarterly Statement as of March 31, 2006, pages 116 – 143.

ANNUAL STATEMENT
OF THE
Southern Family Insurance
Company
Of
Tampa
in the state of FL

to the Insurance Department
of the State of

For the Year Ended
December 31, 2005

2005



ANNUAL STATEMENT

For the Year Ended December 31, 2005
of the Condition and Affairs of the

Southern Family Insurance Company

NAIC Group Code.....2578, 2578 (Current Period) (Prior Period)	NAIC Company Code..... 10661	Employer's ID Number..... 59-3365558
Organized under the Laws of Florida	State of Domicile or Port of Entry Florida	Country of Domicile US
Incorporated/Organized..... March 1, 1996	Commenced Business..... August 16, 1996	
Statutory Home Office	302 Knights Run Ave., Suite #700... Tampa FL 33602 (Street and Number) (City or Town, State and Zip Code)	
Main Administrative Office	302 Knights Run Ave., Suite #700... Tampa FL 33602 (Street and Number) (City or Town, State and Zip Code)	813-259-4000 (Area Code) (Telephone Number)
Mail Address	302 Knights Run Ave., Suite #700... Tampa FL 33602 (Street and Number or P. O. Box) (City or Town, State and Zip Code)	
Primary Location of Books and Records	302 Knights Run Ave., Suite #700... Tampa FL 33602 (Street and Number) (City or Town, State and Zip Code)	813-259-4000 (Area Code) (Telephone Number)
Internet Website Address	www.poefinancialgroup.com	
Statutory Statement Contact	Jan Jacob Meder (Name) jmeder@poeftg.com (E-Mail Address)	813-259-4000 (Area Code) (Telephone Number) (Extension) 813-259-4071 (Fax Number)
Policyowner Relations Contact	302 Knights Run Ave., Suite #700... Tampa FL 33602 (Street and Number) (City or Town, State and Zip Code)	813-259-4000 (Area Code) (Telephone Number) (Extension)

OFFICERS

Name	Title	Name	Title
1. William F. Poe Jr.	President	2. Jan Jacob Meder	Chief Financial Officer
3. Thomas S. Krzesinski	Secretary	4. Charles E. Poe	Treasurer

OTHER

DIRECTORS OR TRUSTEES

James E. Wurdeman (Chairman)	William F. Poe	William F. Poe Jr.	Charles E. Poe
Jan J. Meder			

State of..... Florida
County of..... Hillsborough

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 of the enclosed statement (except for formatting differences due to electronic filing). The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature) William F. Poe Jr.	(Signature) Jan Jacob Meder	(Signature) Thomas S. Krzesinski
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Chief Financial Officer	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 Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	517,172		517,172	15,187,458
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			0	310,248
2.2 Common stocks.....			0	32,028,282
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
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 (\$.....(22,864,011), Sch. E-Part 1), cash equivalents (\$.....0, Sch. E-Part 2) and short-term investments (\$.....58,464,945, Sch. DA).....	36,600,934		36,600,934	31,630,403
6. Contract loans (including \$.....0 premium notes).....			0	
7. Other invested assets (Schedule BA).....	2,410,134		2,410,134	7,632,521
8. Receivables for securities.....			0	
9. Aggregate write-ins for invested assets.....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	39,528,240	0	39,528,240	86,798,908
11. Title plans less \$.....0 charged off (for Title insurers only).....			0	
12. Investment income due and accrued.....	160,913		160,913	350,847
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in course of collection.....	6,117,283		6,117,293	12,303,130
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
13.3 Accrued retrospective premiums.....			0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	12,098,327		12,098,327	8,011,733
14.2 Funds held by or deposited with reinsured companies.....			0	
14.3 Other amounts receivable under reinsurance contracts.....			0	
15. Amounts receivable relating to uninsured plans.....			0	
16.1 Current federal and foreign income tax recoverable and interest thereon.....			0	26,883,944
16.2 Net deferred tax asset.....	20,832,184	19,304,058	1,528,126	6,844,144
17. Guaranty funds receivable or on deposit.....			0	
18. Electronic data processing equipment and software.....			0	
19. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
21. Receivables from parent, subsidiaries and affiliates.....			0	
22. Health care (\$.....0) and other amounts receivable.....			0	
23. Aggregate write-ins for other than invested assets.....	12,350,983	0	12,350,983	1,688,523
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	91,087,920	19,304,058	71,783,862	142,881,231
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
26. TOTALS (Lines 24 and 25).....	91,087,920	19,304,058	71,783,862	142,881,231

DETAILS OF WRITE-INS

0901.....			0	
0902.....			0	
0903.....			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. Other Receivables.....	435,641		435,641	380,523
2302. State Income Tax Estimated Payments Recoverable.....			0	1,308,000
2303. Assessments Recoverable.....	11,915,322		11,915,322	
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).....	12,350,983	0	12,350,983	1,688,523

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 34, Column 8).....	23,862,608	70,905,905
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 8).....		
3. Loss adjustment expenses (Part 2A, Line 34, Column 9).....	878,512	3,127,338
4. Commissions payable, contingent commissions and other similar charges.....		
5. Other expenses (excluding taxes, licenses and fees).....	222,282	220,628
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	927,000	525,000
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....		
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (Part 1A, Line 37, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....51,806,409 and including warranty reserves of \$.....0).....	16,936,944	38,639,355
10. Advance premiums.....		
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	12,413,173	9,286,186
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	10,523,188	7,425
14. Amounts withheld or retained by company for account of others.....	118,961	161,356
15. Remittances and items not allocated.....		
16. Provision for reinsurance (Schedule F, Part 7).....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	1,389,161	1,227,325
20. Payable for securities.....		
21. Liability for amounts held under uninsured accident and health plans.....		
22. Capital notes \$.....0 and interest thereon \$.....0.....		
23. Aggregate write-ins for liabilities.....	0	0
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	67,271,829	124,110,518
25. Protected cell liabilities.....		
26. Total liabilities (Lines 24 and 25).....	67,271,829	124,110,518
27. Aggregate write-ins for special surplus funds.....	0	0
28. Common capital stock.....	100	100
29. Preferred capital stock.....		
30. Aggregate write-ins for other than special surplus funds.....	0	0
31. Surplus notes.....		
32. Gross paid in and contributed surplus.....	55,846,716	49,846,716
33. Unassigned funds (surplus).....	(51,334,783)	(31,076,103)
34. Less treasury stock, at cost:		
34.1 .....0.000 shares common (value included in Line 28 \$.....0).....		
34.2 .....0.000 shares preferred (value included in Line 29 \$.....0).....		
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 39).....	4,512,033	18,770,713
36. TOTALS (Page 2, Line 25, Col. 3).....	71,783,862	142,881,231

DETAILS OF WRITE-INS

2301.		
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	0	0
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page.....	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	0	0

STATEMENT OF INCOME

UNDERWRITING INCOME		1	2
		Current Year	Prior Year
1. Premiums earned (Part 1, Line 34, Column 4)		35,686,528	75,998,650
DEDUCTIONS			
2. Losses incurred (Part 2, Line 34, Column 7)		43,842,688	148,082,626
3. Loss expenses incurred (Part 3, Line 25, Column 1)		2,064,419	5,807,871
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)		9,977,907	17,388,367
5. Aggregate write-ins for underwriting deductions		0	0
6. Total underwriting deductions (Lines 2 through 5)		55,885,014	171,278,964
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)		(20,198,486)	(95,280,314)
INVESTMENT INCOME			
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)		2,004,328	2,763,511
10. Net realized capital gains (losses) less capital gains tax of \$.....0 (Exhibit of Capital Gains (Losses))		7,878,759	313,893
11. Net investment gain (loss) (Lines 9 + 10)		9,883,087	3,077,404
OTHER INCOME			
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0)		0	
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income		89,739	1,154
15. Total other income (Lines 12 through 14)		89,739	1,154
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)		(10,225,660)	(92,201,757)
17. Dividends to policyholders			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)		(10,225,660)	(92,201,757)
19. Federal and foreign income taxes incurred		436,731	(18,969,024)
20. Net income (Line 18 minus Line 19) (to Line 22)		(10,662,391)	(73,232,733)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)		18,770,713	62,519,949
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)		(10,662,391)	(73,232,733)
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....(1,498,106)		(2,687,117)	1,072,438
25. Change in net unrealized foreign exchange capital gain (loss)		(95,084)	(166,270)
26. Change in net deferred income tax		4,727,192	12,836,220
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 26 Column 3)		(11,541,280)	(7,762,443)
28. Change in provision for reinsurance (Page 3, Line 18, Column 2 minus Column 1)			3,552
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in		6,000,000	23,600,000
33.2 Transferred to capital (Stock Dividend)			
33.3. Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock (Page 3, Lines 34.1 and 34.2, Column 2 minus Column 1)			
37. Aggregate write-ins for gains and losses in surplus		0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)		(14,258,680)	(43,749,236)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 35)		4,512,033	18,770,713
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page		0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)		0	0
1401. Miscellaneous Income		89,739	1,154
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page		0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)		89,739	1,154
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page		0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above)		0	0

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	23,286,941	79,990,011
2. Net investment income.....	2,205,128	3,037,099
3. Miscellaneous income.....	89,739	1,155
4. Total (Lines 1 through 3).....	25,581,808	83,028,265
5. Benefit and loss related payments.....	94,972,579	89,248,153
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	13,887,498	21,685,895
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) \$.....0 net of tax on capital gains (losses).....	(26,447,213)	8,616,327
10. Total (Lines 5 through 9).....	82,412,864	119,550,376
11. Net cash from operations (Line 4 minus Line 10).....	(56,831,056)	(36,522,111)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	17,705,285	92,926,384
12.2 Stocks.....	34,084,822	41,028,996
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....	8,015,293	3,086,374
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	(36,540)	(11,394)
12.7 Miscellaneous proceeds.....		123,882
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	57,768,860	137,154,242
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	897,186	60,574,001
13.2 Stocks.....	662,271	51,518,870
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....	390,000	3,800,000
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	1,949,457	115,892,871
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 and 14).....	55,819,403	21,261,371
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....	6,000,000	23,500,000
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).....	(17,817)	(231,960)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	5,982,183	23,268,040
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	4,970,530	8,007,300
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	31,630,403	23,623,103
19.2 End of year (Line 18 plus Line 19.1).....	36,600,934	31,630,403
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001		

Annual Statement for the year 2005 of the **Southern Family Insurance Company**
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.....	3,072,682	7,972,573	3,345,819	7,699,436
2.	Allied lines.....	4,730,039	25,119,386	10,108,646	19,742,778
3.	Farmowners multiple peril.....				.0
4.	Homeowners multiple peril.....	6,166,880	5,540,763	3,477,269	8,230,374
5.	Commercial multiple peril.....				.0
6.	Mortgage guaranty.....				.0
8.	Ocean marine.....				.0
9.	Inland marine.....				.0
10.	Financial guaranty.....				.0
11.1	Medical malpractice - occurrence.....				.0
11.2	Medical malpractice - claims-made.....				.0
12.	Earthquake.....				.0
13.	Group accident and health.....				.0
14.	Credit accident and health (group and individual).....				.0
15.	Other accident and health.....				.0
16.	Workers' compensation.....				.0
17.1	Other liability - occurrence.....	14,517	6,633	7,210	13,840
17.2	Other liability - claims-made.....				.0
18.1	Products liability - occurrence.....				.0
18.2	Products liability - claims-made.....				.0
19.1, 19.2	Private passenger auto liability.....				.0
19.3, 19.4	Commercial auto liability.....				.0
21.	Auto physical damage.....				.0
22.	Aircraft (all perils).....				.0
23.	Fidelity.....				.0
24.	Surety.....				.0
26.	Burglary and theft.....				.0
27.	Boiler and machinery.....				.0
28.	Credit.....				.0
29.	International.....				.0
30.	Reinsurance - nonproportional assumed property.....				.0
31.	Reinsurance - nonproportional assumed liability.....				.0
32.	Reinsurance - nonproportional assumed financial lines.....				.0
33.	Aggregate write-ins for other lines of business.....	0	0	0	.0
34.	TOTALS.....	13,984,117	38,639,355	16,936,944	35,686,528

DETAILS OF WRITE-INS

3301.					.0
3302.					.0
3303.					.0
3398.	Summary of remaining write-ins for Line 33 from overflow page.....	0	0	0	.0
3399.	Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above).....	0	0	0	.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

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

Line of Business		1 Amount Unearned (Running One Year or Less from Date of Policy) (b)	2 Amount Unearned (Running more than One Year from Date of Policy) (b)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire.....	3,345,819				3,345,819
2.	Allied lines.....	10,106,648				10,106,648
3.	Farmowners multiple peril.....					0
4.	Homeowners multiple peril.....	3,477,269				3,477,269
5.	Commercial multiple peril.....					0
6.	Mortgage guaranty.....					0
8.	Ocean marine.....					0
9.	Inland marine.....					0
10.	Financial guaranty.....					0
11.1	Medical malpractice - occurrence.....					0
11.2	Medical malpractice - claims-made.....					0
12.	Earthquake.....					0
13.	Group accident and health.....					0
14.	Credit accident and health (group and individual).....					0
15.	Other accident and health.....					0
16.	Workers' compensation.....					0
17.1	Other liability - occurrence.....	7,210				7,210
17.2	Other liability - claims-made.....					0
18.1	Products liability - occurrence.....					0
18.2	Products liability - claims-made.....					0
19.1, 19.2	Private passenger auto liability.....					0
19.3, 19.4	Commercial auto liability.....					0
21.	Auto physical damage.....					0
22.	Aircraft (all perils).....					0
23.	Fidelity.....					0
24.	Surety.....					0
26.	Burglary and theft.....					0
27.	Boiler and machinery.....					0
28.	Credit.....					0
29.	International.....					0
30.	Reinsurance - nonproportional assumed property.....					0
31.	Reinsurance - nonproportional assumed liability.....					0
32.	Reinsurance - nonproportional assumed financial lines.....					0
33.	Aggregate write-ins for other lines of business.....	0	0	0	0	0
34.	TOTALS.....	16,936,944	0	0	0	16,936,944
35.	Accrued retrospective premiums based on experience.....					
36.	Earned but unbilled premiums.....					
37.	Balance (sum of Lines 34 through 36).....					16,936,944

DETAILS OF WRITE-INS

3301.						0
3302.						0
3303.						0
3398.	Summary of remaining write-ins for Line 33 from overflow page...	0	0	0	0	0
3399.	Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above).....	0	0	0	0	0

(a) By gross premiums is meant the aggregate of all the premiums written in the policies or renewals in force. Are they so returned in this statement? Yes [X] No [].

(b) State here basis of computation used in each case: Daily Pro-Rata

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UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

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

Line of Business		1	Reinsurance Assumed		Reinsurance Ceded		6
		Direct Business (a)	2	3	4	5	Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
1.	Fire.....	19,096,135				16,023,453	3,072,682
2.	Allied lines.....	95,087,631				90,357,593	4,730,038
3.	Farmowners multiple peril.....						.0
4.	Homeowners multiple peril.....	31,876,092				25,709,212	6,166,880
5.	Commercial multiple peril.....						.0
6.	Mortgage guaranty.....						.0
8.	Ocean marine.....						.0
9.	Inland marine.....						.0
10.	Financial guaranty.....						.0
11.1	Medical malpractice - occurrence.....						.0
11.2	Medical malpractice - claims-made.....						.0
12.	Earthquake.....						.0
13.	Group accident and health.....						.0
14.	Credit accident and health (group and individual).....						.0
15.	Other accident and health.....						.0
16.	Workers' compensation.....						.0
17.1	Other liability - occurrence.....	352,225				337,708	14,517
17.2	Other liability - claims-made.....						.0
18.1	Products liability - occurrence.....						.0
18.2	Products liability - claims-made.....						.0
19.1, 19.2	Private passenger auto liability.....						.0
19.3, 19.4	Commercial auto liability.....						.0
21.	Auto physical damage.....						.0
22.	Aircraft (all perils).....						.0
23.	Fidelity.....						.0
24.	Surety.....						.0
26.	Burglary and theft.....						.0
27.	Boiler and machinery.....	1,648,209				1,648,209	.0
28.	Credit.....						.0
29.	International.....						.0
30.	Reinsurance - nonproportional assumed property.....	.XXX					.0
31.	Reinsurance - nonproportional assumed liability.....	.XXX					.0
32.	Reinsurance - nonproportional assumed financial lines.....	.XXX					.0
33.	Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0
34.	TOTALS.....	148,060,292	.0	.0	.0	134,076,175	13,984,117

DETAILS OF WRITE-INS

3301.						.0
3302.						.0
3303.						.0
3398.	Summary of remaining write-ins for Line 33 from overflow page.....	.0	.0	.0	.0	.0
3399.	Totals (Lines 3301 thru 3303 plus 3398) (Line 33 above).....	.0	.0	.0	.0	.0

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

If yes: 1. The amount of such installment premiums \$.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				Net Losses Unpaid Current Year (Part 2A Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire.....	595,703		326,304	269,399	337,117	751,977	(145,461)	(1.9)
2. Allied lines.....	175,350,566		96,033,198	79,327,368	23,551,400	66,553,202	36,325,566	184.0
3. Farmowners multiple peril.....								
4. Homeowners multiple peril.....	44,221,950	5,961	33,548,152	10,673,799	(84,323)	3,322,525	7,272,911	88.4
5. Commercial multiple peril.....	1,520,386		910,927	609,459	33,414	277,951	364,922	
6. Mortgage guaranty.....								
8. Ocean marine.....								
9. Inland marine.....								
10. Financial guaranty.....								
11.1 Medical malpractice - occurrence.....								
11.2 Medical malpractice - claims-made.....								
12. Earthquake.....								
13. Group accident and health.....								
14. Credit accident and health (group and individual).....								
15. Other accident and health.....								
16. Workers' compensation.....								
17.1 Other liability - occurrence.....								
17.2 Other liability - claims-made.....					25,000	250	24,750	177.5
18.1 Products liability - occurrence.....								
18.2 Products liability - claims-made.....								
19.1, 19.2 Private passenger auto liability.....								
19.3, 19.4 Commercial auto liability.....								
21. Auto physical damage.....								
22. Aircraft (all perils).....								
23. Fidelity.....								
24. Surety.....								
26. Burglary and theft.....								
27. Boiler and machinery.....	279,596		279,596					
28. Credit.....								
29. International.....								
30. Reinsurance - nonproportional assumed property.....	XXX							
31. Reinsurance - nonproportional assumed liability.....	XXX							
32. Reinsurance - nonproportional assumed financial lines.....	XXX							
33. Aggregate write-ins for other lines of business.....								
34. TOTALS.....	221,979,201	5,961	131,098,177	90,885,985	23,862,608	70,905,905	43,842,688	122.9
DETAILS OF WRITE-INS								
3301.....								
3302.....								
3303.....								
3304.....								
Summary of remaining write-ins for Line 33 from overflow page.....								
Totals of lines 3301 thru 3313 plus 3308 (line 24 above).....								
XXX								

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

Line of Business	1			2	3		4	5	6		7	8	9
	Reported Losses		Reinsurance Assumed		Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)			Direct	Reinsurance Assumed			
	Direct												
1. Fire.....	142,523				83,451		59,072	595,239			317,194	337,117	58,384
2. Allied lines.....	433,717,994				410,678,460		23,039,534	1,048,868			536,992	23,551,400	593,862
3. Farmowners multiple peril.....							.0				.0		
4. Homeowners multiple peril.....	25,305,120	5,000			26,796,793		(1,486,673)	3,656,097			2,253,747	(84,323)	221,749
5. Commercial multiple peril.....	33,500				16,715		16,785	31,515			14,887	33,414	6,512
6. Mortgage guaranty.....							.0				.0		
8. Ocean marine.....							.0				.0		
9. Inland marine.....							.0				.0		
10. Financial guaranty.....							.0				.0		
11.1 Medical malpractice - occurrence.....							.0				.0		
11.2 Medical malpractice - claims-made.....							.0				.0		
12. Earthquake.....							.0				.0		
13. Group accident and health.....							.0				(a)	.0	
14. Credit accident and health (group and individual).....							.0				(a)	.0	
15. Other accident and health.....							.0				.0		
16. Workers' compensation.....							.0				.0		
17.1 Other liability - occurrence.....	500,000				475,000		25,000					25,000	5
17.2 Other liability - claims-made.....							.0				.0		
18.1 Products liability - occurrence.....							.0				.0		
18.2 Products liability - claims-made.....							.0				.0		
19.1, 19.2 Private passenger auto liability.....							.0				.0		
19.3, 19.4 Commercial auto liability.....							.0				.0		
21. Auto physical damage.....							.0				.0		
22. Aircraft (all perils).....							.0				.0		
23. Fidelity.....							.0				.0		
24. Surety.....							.0				.0		
26. Burglary and theft.....							.0				.0		
27. Boiler and machinery.....	70,096				70,096		.0	89,105			89,105		
28. Credit.....							.0				.0		
29. International.....	XXX						.0				.0		
30. Reinsurance - nonproportional assumed property.....	XXX						.0	XXX			.0		
31. Reinsurance - nonproportional assumed liability.....	XXX						.0	XXX			.0		
32. Reinsurance - nonproportional assumed financial lines.....	XXX						.0	XXX			.0		
33. Aggregate write-ins for other lines of business.....							.0				.0		.0
34. TOTALS.....	459,769,233	5,000			438,120,515		21,653,718	5,420,815		.0	3,211,925	23,862,608	878,512

DETAILS OF WRITE-INS

3301.																				
3302.																				
3303.																				
3308. Summary of remaining write-ins for Line 33 from overflow page.....																				
3309. Totals (Lines 3301 thru 3303 plus 3308) (Line 33 above).....																				

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

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UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct.....	27,864,365			27,864,365
1.2 Reinsurance assumed.....	256			256
1.3 Reinsurance ceded.....	25,800,202			25,800,202
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	2,064,419	.0	.0	2,064,419
2. Commission and brokerage:				
2.1 Direct excluding contingent.....		33,657,418		33,657,418
2.2 Reinsurance assumed excluding contingent.....				.0
2.3 Reinsurance ceded excluding contingent.....		27,436,780		27,436,780
2.4 Contingent - direct.....				.0
2.5 Contingent - reinsurance assumed.....				.0
2.6 Contingent - reinsurance ceded.....		854,008		854,008
2.7 Policy and membership fees.....		1,184,119		1,184,119
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	.0	6,550,749	.0	6,550,749
3. Allowances to managers and agents.....				.0
4. Advertising.....				.0
5. Boards, bureaus and associations.....		161,757		161,757
6. Surveys and underwriting reports.....				.0
7. Audit of assureds' records.....				.0
8. Salary and related items:				
8.1 Salaries.....				.0
8.2 Payroll taxes.....				.0
9. Employee relations and welfare.....				.0
10. Insurance.....				.0
11. Directors' fees.....				.0
12. Travel and travel items.....				.0
13. Rent and rent items.....				.0
14. Equipment.....		2,096		2,096
15. Cost or depreciation of EDP equipment and software.....				.0
16. Printing and stationery.....		13,163		13,163
17. Postage, telephone and telegraph, exchange and express.....		29,311		29,311
18. Legal and auditing.....		70,562		70,562
19. Totals (Lines 3 to 18).....	.0	276,889	.0	276,889
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....		2,824,576		2,824,576
20.2 Insurance department licenses and fees.....		14,214		14,214
20.3 Gross guaranty association assessments.....				.0
20.4 All other (excluding federal and foreign income and real estate).....		89,275		89,275
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	.0	2,928,065	.0	2,928,065
21. Real estate expenses.....				.0
22. Real estate taxes.....				.0
23. Reimbursements by uninsured accident and health plans.....				.0
24. Aggregate write-ins for miscellaneous expenses.....	.0	222,204	115,018	337,222
25. Total expenses incurred.....	2,064,419	9,977,907	115,018	(a) 12,157,344
26. Less unpaid expenses - current year.....	878,512	1,149,281		2,027,793
27. Add unpaid expenses - prior year.....	3,127,338	(562,371)		2,564,967
28. Amounts receivable relating to uninsured accident and health plans, prior year.....				.0
29. Amounts receivable relating to uninsured accident and health plans, current year.....				.0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	4,313,245	8,266,255	115,018	12,894,518

DETAILS OF WRITE-INS

2401. Contributions.....		150,000		150,000
2402. Investment Management Expense.....			115,018	115,018
2403. Consulting Fees.....		72,204		72,204
2498. Summary of remaining write-ins for Line 24 from overflow page.....	.0	.0	.0	.0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	.0	222,204	115,018	337,222

(a) Includes management fees of \$.....1,678,690 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).....582,448	.....451,018
1.1 Bonds exempt from U.S. tax.....	(a).....	.....
1.2 Other bonds (unaffiliated).....	(a).....466,468	.....325,844
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....4,766	.....4,766
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....351,803	.....351,801
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....868,088	.....952,209
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....47,896	.....47,896
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	2,323,468	2,133,532
11. Investment expenses.....	.....	(g).....115,018
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....
13. Interest expense.....	.....	(h).....14,186
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).....	.....	129,204
17. Net investment income (Line 10 minus Line 16).....	.....	2,004,328

DETAILS OF WRITE-INS

0901. ....	.....	.....
0902. ....	.....	.....
0903. ....	.....	.....
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).....	.....0	.....0
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....0	.....0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	.....0	.....0
(a) Includes \$.327 accrual of discount less \$.11,193 amortization of premium and less \$.11,888 paid for accrued interest on purchases.	.....	.....
(b) Includes \$.0 accrual of discount less \$.0 amortization of premium and less \$.0 paid for accrued dividends on purchases.	.....	.....
(c) Includes \$.0 accrual of discount less \$.0 amortization of premium and less \$.0 paid for accrued interest on purchases.	.....	.....
(d) Includes \$.0 for company's occupancy of its own buildings; and excludes \$.0 interest on encumbrances.	.....	.....
(e) Includes \$.0 accrual of discount less \$.0 amortization of premium and less \$.0 paid for accrued interest on purchases.	.....	.....
(f) Includes \$.0 accrual of discount less \$.0 amortization of premium.	.....	.....
(g) Includes \$.0 investment expenses and \$.0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.	.....	.....
(h) Includes \$.0 interest on surplus notes and \$.0 interest on capital notes.	.....	.....
(i) Includes \$.0 depreciation on real estate and \$.0 depreciation on other invested assets.	.....	.....

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Increases (Decreases) by Adjustment	4 Total
1. U.S. government bonds.....	1,375,730	.....	(14,994)	1,360,736
1.1 Bonds exempt from U.S. tax.....	.....	.....	.....	.....0
1.2 Other bonds (unaffiliated).....	795,888	128,357	(146,283)	777,942
1.3 Bonds of affiliates.....	.....	.....	.....	.....0
2.1 Preferred stocks (unaffiliated).....	1,827	.....	(4,767)	(2,940)
2.11 Preferred stocks of affiliates.....	.....	.....	.....	.....0
2.2 Common stocks (unaffiliated).....	4,730,016	.....	(3,546,055)	1,083,961
2.21 Common stocks of affiliates.....	.....	.....	.....	.....0
3. Mortgage loans.....	.....	.....	.....	.....0
4. Real estate.....	.....	.....	.....	.....0
5. Contract loans.....	.....	.....	.....	.....0
6. Cash, cash equivalents and short-term investments.....	(36,540)	.....	.....	(36,540)
7. Derivative instruments.....	.....	.....	.....	.....0
8. Other invested assets.....	871,115	.....	(468,209)	402,908
9. Aggregate write-ins for capital gains (losses).....	12,385	0	0	12,385
10. Total capital gains (losses).....	7,750,401	128,357	(4,280,307)	3,598,450

DETAILS OF WRITE-INS

0901. PW M2 Fund Final Settlement Gain (sold in 2004).....	12,385	.....	.....	12,385
0902. ....	.....	.....	.....	.....0
0903. ....	.....	.....	.....	.....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).....	12,385	0	0	12,385

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
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			0
2.2 Common stocks.....			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale.....			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			0
6. Contract loans.....			0
7. Other invested assets (Schedule BA).....			0
8. Receivables for securities.....			0
9. Aggregate write-ins for invested assets.....	0	0	0
40. Subtotals, cash and invested assets (Lines 1 to 9).....	0	0	0
11. Title plants (for Title insurers only).....			0
12. Investment income due and accrued.....			0
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection.....			0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			0
13.3 Accrued retrospective premiums.....			0
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers.....			0
14.2 Funds held by or deposited with reinsured companies.....			0
14.3 Other amounts receivable under reinsurance contracts.....			0
15. Amounts receivable relating to uninsured plans.....			0
16.1 Current federal and foreign income tax recoverable and interest thereon.....			0
16.2 Net deferred tax asset.....	19,304,058	7,762,741	(11,541,317)
17. Guaranty funds receivable or on deposit.....			0
18. Electronic data processing equipment and software.....		37	37
19. Furniture and equipment, including health care delivery assets.....			0
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
21. Receivable from parent, subsidiaries and affiliates.....			0
22. Health care and other amounts receivable.....			0
23. Aggregate write-ins for other than invested assets.....	0	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	19,304,058	7,762,778	(11,541,280)
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
26. TOTALS (Lines 24 and 25).....	19,304,058	7,762,778	(11,541,280)

DETAILS OF WRITE-INS

0901.....			0
0902.....			0
0903.....			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.....			0
2302.....			0
2303.....			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).....	0	0	0

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of Southern Family Insurance Company (Company) have been prepared in conformity with accounting practices prescribed or permitted by the Florida Department of Financial Services.

The state of Florida requires insurance companies domiciled in the state of Florida to prepare their statutory 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 Florida Office of Insurance Regulation. Many changes were made to this NAIC Manual effective January 1, 2001. See Note 2B for a description of the impact of these accounting changes.

B. Use of Estimates in the Preparation of Financial Statements

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

C. Accounting Policies

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

Furthermore, the company uses the following additional accounting policies:

1. Short-term investments are stated at book value.
2. Bonds listed by the NAIC are stated at SVO values, otherwise at amortized value using the scientific method.
3. Common stocks are stated at market value.
4. Preferred stocks are stated at market value.
5. Mortgage loans –Not Applicable
6. Loan backed securities –Not Applicable
7. Investments in subsidiaries –Not Applicable
8. Joint ventures, partnerships, & limited liability companies are stated at market value.
9. Derivatives –Not Applicable
10. The Company does not anticipate investment income as a factor in premium deficiency calculations.
11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
12. Change in capitalization policy –Not Applicable

Note 2 – Accounting Changes and Correction of Errors

A. Accounting Changes Other than Codification and Correction of Errors

Not applicable.

B. Accounting Changes as a Result of the Initial Implementation of Codification January 1, 2001

Accounting changes adopted to conform with the provisions of the new NAIC *Accounting Practices and Procedures Manual* are reported as changes in accounting principles. The cumulative effect of changes in accounting principles is reported as an adjustment to unassigned funds (surplus) in the period of the change in accounting principle. As a result of these changes, the Company reported a cumulative effect of changes in accounting principles that decreased unassigned funds by \$5,042,799 at January 1, 2001. This adjustment was for the recording of a net deferred tax liability.

Note 3 – Business Combinations and Goodwill

A. Statutory Purchase Method

Not Applicable

B. Statutory Mergers

Not Applicable

C. Writedowns for Impairment of Investments in Affiliates

Not Applicable

Note 4 – Discontinued Operations

A. Not Applicable

Note 5 – Investments

A. Mortgage Loans

Not Applicable

B. Troubled Debt Restructuring for Creditors

Not Applicable

NOTES TO FINANCIAL STATEMENTS

- C. Reverse Mortgages
Not Applicable
- D. Loan-Backed Securities
Not Applicable
- E. Repurchase Agreements
Not Applicable
- F. Real Estate Impairments and Retail Land Sales
Not Applicable

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

- A. Detail for Those Greater than 10% of Admitted Assets
Not Applicable
- B. Writedowns for Impairment of Joint Ventures, Partnerships and LLCs
Not Applicable

Note 7 – Investment Income

- A. Accrued Investment Income
The Company nonadmits investment income due and accrued if amounts are over 90 days past due.
- B. Amounts Nonadmitted
Not Applicable

Note 8 – Derivative Instruments

- A. Not Applicable

Note 9 – Income Taxes

- A. Components of Deferred Tax Assets (DTAs) and Deferred Tax Liabilities (DTLs)

Description	December 31, 2005	December 31, 2004
Gross deferred tax assets	\$ 20,917,846	\$ 16,210,212
Gross deferred tax liabilities	85,662	1,603,327
Net deferred tax asset	\$ 20,832,184	\$ 14,606,885
Nonadmitted deferred tax assets	19,304,058	7,762,741
Net admitted deferred tax assets	\$ 1,528,126	\$ 6,844,144
Increase (decrease) in nonadmitted deferred tax assets	\$ 11,541,317	\$ 7,762,741

- B. Unrecognized DTLs
Not Applicable
- C. Current Tax and Change in Deferred Tax

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

Description	2005	2004
Federal income taxes on operations	\$ 436,669	\$ (18,973,996)
Foreign	62	4,972
Current year income taxes incurred	\$ 436,731	\$ (18,969,024)

The main components of the 2005 deferred tax amounts were as follows:

DTAs	Statutory	Tax	Difference	Tax Effect
Unpaid losses and LAE	\$ 24,741,121	\$ 23,630,167	\$ 1,110,954	\$ 388,834
Unearned premiums	16,936,944	13,549,555	3,387,389	1,185,586
AMT Credit Carryforward	1,138,841	0	1,138,841	1,138,841
NOL carryforward	51,463,100	0	51,463,100	18,012,085
Charitable donation carryforward	550,000	0	550,000	192,500
Gross DTAs				\$ 20,917,846

DTLs	Statutory	Tax	Difference	Tax Effect
Unrealized gains	\$ 244,748	0	\$ 244,748	\$ 85,662
Gross DTLs				\$ 85,662

NOTES TO FINANCIAL STATEMENTS

DTAs Resulting From Book/Tax Differences In	December 31, 2005	December 31, 2004	Change
Unpaid losses and LAE	\$ 388,834	\$ 1,236,398	\$ (847,564)
Unearned premiums	1,185,586	2,704,755	(1,519,169)
AMT Credit Carryforward	1,138,841		1,138,841
Capital Losses	0	587,099	(587,099)
NOL carryforward	18,012,085	11,541,960	6,470,125
Charitable donation carryforward	192,500	140,000	52,500
Gross DTAs	\$ 20,917,846	\$ 16,210,212	\$ 4,707,634
Nonadmitted DTAs	\$ 19,304,058	\$ 7,762,741	\$ 11,541,317

DTLs Resulting From Book/Tax Differences In	December 31, 2005	December 31, 2004	Change
Unrealized gains	\$ 85,662	\$ 1,583,769	\$ (1,498,107)
K-1 book to tax adjustment		19,558	(19,558)
Gross DTLs	\$ 85,662	\$ 1,603,327	\$ (1,517,665)
Deferred tax on change in unrealized			1,498,107
Gross DTLs			\$ (19,558)

The change in gross DTAs of \$4,707,634 and gross DTLs of (\$19,558) is the change in deferred income taxes of \$4,727,192.

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

The book to tax adjustments were as follows:

Description	December 31, 2005	December 31, 2004
Expected tax	\$ (3,578,981)	\$ (32,270,615)
Tax exempt interest deduction	(31,263)	(152,122)
Dividends received deduction	(96,102)	(177,836)
Proration of tax exempt inv. income	19,105	49,494
Other	318,059	(9,492)
AMT reduction	(1,138,841)	801,223
Foreign taxes	62	4,972
Prior year tax adjustments	217,500	(50,868)
Total statutory income taxes	\$ (4,290,461)	\$ (31,805,244)
Federal & foreign income taxes incurred	\$ 436,731	\$ (18,973,996)
Change in net deferred income taxes	(4,727,192)	(12,836,220)
Total statutory income taxes	\$ (4,290,461)	\$ (31,805,244)

E. Operating Loss and Tax Credit Carryforwards

- (1) At December 31, 2005, the Company had \$51,463,100 of unused operating loss carryforwards available to offset against future taxable income.
- (2) At December 31, 2005, the Company had no income tax expense for current and prior years available for recoupment in the event of future net losses.

F. Consolidated Federal Income Tax Return

In 2004, the Company was a member of a consolidated group for income tax purposes consisting of its immediate parent, Poe Insurance Holdings, and its sister companies of Atlantic Preferred Insurance Company and Florida Preferred Property Insurance Company (referred to as the insurance group). Effective November 22, 2005, the ultimate parent company, Poe Financial Group, Inc., revoked its election to be taxed under Subchapter S of the Internal Revenue Code. As of that date all companies of the Poe Financial Group, including the insurance group, Poe Insurance Managers, LLC, Poe and Associates, LLC, and Mariah Claims Services, LLC became part of one consolidated group for income tax purposes. As part of the transaction, the existing tax sharing agreement for the insurance group was modified to include all members of the group.

Note 10 – Information Concerning Parent, Subsidiaries and Affiliates

A. Nature of Relationships

The Company is a wholly owned subsidiary of Poe Insurance Holdings, LLC. Poe Insurance Holdings, LLC is a wholly owned subsidiary of Poe Financial Group, a Florida corporation.

B. Detail of Transactions Greater than 1/2% of Admitted Assets

In 2005, the Company received additional capital of \$6,000,000 from Poe Insurance Holdings, LLC.

C. Changes in Terms of Intercompany Arrangements

The tax sharing agreement was amended in 2005 to include all members of the consolidated group. See Note 9(F).

D. Amounts Due to or from Related Parties

At December 31, 2005, the Company reported \$1,389,161 due to affiliates.

E. Guarantees or Contingencies for Related Parties

Not applicable

F. Management, Service Contracts, Cost Sharing Agreements

NOTES TO FINANCIAL STATEMENTS

The Company has a contract with Mariah Claims Services, LLC to process all claims and a managing general agency agreement with Poe Insurance Managers, LLC to handle policy issuance and underwriting.

G. Nature of Relationships that Could Affect Operations

All outstanding shares of the Company are owned by the Parent.

H. Amount Deducted for Investment in Upstream Company

Not applicable

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

The Company owns no investment in the Parent and has no investment in any affiliated companies.

J. Writedown for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies

Not applicable

Note 11 – Debt

A. Debt

Not applicable

Note 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 Plan

Not applicable

E. Postemployment Benefits and Compensated Absences

The Company has no obligations to current or former employees for benefits after their employment but before their retirement.

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

A. Outstanding Shares

The Company has 1,000,000 shares of \$1 par value common stock authorized and 100 shares outstanding. The Company has no preferred stock authorized, issued or outstanding.

B. Dividend Rate of Preferred Stock

Not applicable

C., D., and E. Dividend Restrictions

Not applicable

F. Mutual Surplus Advances

Not applicable

G. Company Stock Held for Special Purposes

Not applicable

H. Changes in Special Surplus Funds

Not applicable

I. Changes in Unassigned Funds

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

NOTES TO FINANCIAL STATEMENTS

Description	Cumulative Increase (Decrease) in Surplus	Current Year Increase (Decrease) in Surplus
1. Unrealized gain or loss	\$ 159,086	\$ (2,782,200)
2. Nonadmitted assets	(19,304,058)	(11,541,280)
3. Provision for reinsurance	0	0
Total Increase (Decrease)	\$ (19,144,972)	\$ (14,323,480)

The unrealized gain includes applicable deferred taxes. The nonadmitted assets include the nonadmitted deferred tax assets (see Note 9).

J. Surplus Notes

The Company has no outstanding surplus notes as of December 31, 2005.

K. and L. Quasi Reorganizations

Not applicable

Note 14 – Contingencies**A. Contingent Commitments**

The Company has no contracts, agreements, or transactions that would result in material contingent commitments.

B. Guaranty Fund and Other Assessments

The Company is subject to guaranty fund and other assessments from the state of Florida. The Company records obligations for these assessments when information is available that it is probable they will occur and the amount can be reasonably estimated. When assessments charged to the Company can be recovered in the future by means of policy surcharges or premium tax credits, the Company recognizes an asset for the expected recoveries.

In August 2005, the Company received notice of assessment from Citizens Property Insurance Corporation for losses incurred in the Citizens High Risk Account in 2004. The Company paid the assessment of \$14,697,097 in September 2005. In connection with this assessment, the Company submitted a rate filing to the Florida Office of Insurance Regulation in September 2005 to allow recovery of the assessment as an additional premium charged to the Company's customers beginning in 2006. Under the provisions of Statement of Statutory Accounting Principles #35, Guaranty Fund and Other Assessments, the Company has recorded an offsetting asset for the expected recovery of the assessment amount from policy holders.

C. Gain Contingencies

Not applicable

D. Other Contingencies and Writedowns for Impairment

The Company does not have any pending legal proceedings which are beyond the ordinary course of business.

Note 15 – Leases**A. Lessee Leasing Arrangements**

The Company has not entered into any leasing arrangements as lessee which could have a material financial effect.

B. Lessor Leasing Arrangements

Not applicable

Note 16 – Information About Financial Instruments With Off-Balance Sheet Risk and With Concentrations of Credit Risk**A. Face or Contract Amounts**

Not applicable

B. Nature and Terms

Not applicable

C. Exposure to Credit-Related Losses

Not applicable

D. Collateral Policy

Not applicable

Note 17 – Sale, Transfer, and Servicing of Financial Assets and Extinguishments of Liabilities**A. Transfers of Receivables Reported as Sales**

Not applicable

B. Transfers and Servicing of Financial Assets

Not applicable

C. Wash Sales

NOTES TO FINANCIAL STATEMENTS

Not applicable

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

A. Administrative Services Only (ASO) Plans

Not applicable

B. Administrative Services Contract (ASC) Plans

Not applicable

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

Not applicable

Note 19 – Direct Premiums Written/Produced by Managing General Agents/Third Party Administrators

- A. All direct written premium, excluding Flood, is written through Poe Insurance Managers, LLC, an affiliated company, under a managing general agent (MGA) contract. The terms of the agreement give the MGA authority for premium collection. Flood premium is written through National Flood Services, Inc. Information concerning the two relationships is provided below:

Name and Address	FEI Number	Exclusive Contract	Type of Business Written	Type of Authority Granted	Direct Premium Written
Poe Insurance Managers, LLC Tampa, Florida	20-3830778	Yes	Homeowners	P	\$ 31,876,092
			Fire	P	19,096,135
			Allied Lines	P	71,227,811
			Boiler & Machinery	P	1,648,209
			Other Liability	P	352,225
					\$ 124,200,472
National Flood Services, Inc. Kalispell, MT	81-0453933	No	Flood	P	\$ 23,859,820

Note 20 – September 11 Events

- A. No losses were incurred as a result of the terrorist attacks of September 11, 2001.

Note 21 – Other Items

A. Extraordinary Items

Hurricane Losses

The 2005 financial statements of the Company include estimates of losses from Hurricanes Dennis, Katrina, Rita and Wilma which all made landfall in Florida during the period from July through October, 2005. The effect of these storms on loss and loss adjustment expenses incurred during 2005 was approximately \$18 million, net of reinsurance. The 2005 financial statements also include adverse loss development from the hurricanes of 2004 (Charley, Frances, Ivan and Jeanne). The net effect of the 2004 storms on loss and loss adjustment expenses incurred during 2005 was approximately \$24 million.

B. Troubled Debt Restructuring for Debtors

Not applicable

C. Other Disclosures

1. Citizens Property Insurance Corporation (Citizens) Takeout Bonus Release

The Company removed homeowners and commercial policies from Citizens (formerly the Florida Residential Property & Casualty Joint Underwriting Association) beginning in 1996 under a series of take out agreements. The agreements specify that the Company is to receive take out bonuses on a per policy basis provided the Company performs under the terms of its agreement, including offering policyholders renewals for three years. The takeout bonus funds were placed in an escrow account, where under Florida statutes, they remained assets of Citizens until the take out bonus conditions were satisfied by the Company. Takeout bonus funds released in prior years were as follows: 2002 \$791,878; 2001 \$4,568,000; 2000 \$4,860,000; and 1999 \$6,876,000. In accordance with Florida statutes, the transfers were accounted for as a direct contribution to capital and surplus (page 4, line 32). There were no takeout bonus funds released in 2005 or remaining in escrow at December 31, 2005.

The Company's federal income tax returns for 1996 through 2001 were under examination by the Internal Revenue Service (IRS). The IRS specifically focused on the issue of the taxation of the policy take-out bonuses. During the examination, the Company filed documents with the IRS stating that the takeout bonuses received from Citizens qualify for deferral from federal taxes under Section 118 of the Internal Revenue Code, as a non shareholder capital contribution. In March 2001, the IRS published a Technical Advice Memorandum that explains the rationale for the IRS' position that the takeout bonuses are taxable income to the Company at the time they are deposited into escrow and interest income on the escrowed funds are taxable to the Company as accrued. The IRS completed its examination of the years 1996-1999 in June 2001 and the years 2000-2001 in June 2003. The examination reports were consistent with the aforementioned Technical Advice Memorandum and they concluded that the Company's income tax liability for the policy takeout bonuses and interest earnings was \$5.9 million. In September 2002, the Company received a notice of tax due from the IRS for \$5.9 million plus interest. The tax assessed represented income taxes on policy take out bonuses received by the Company from 1999 through 2002. The Company's position is that these take out bonuses are non-shareholder contributions to capital under Internal Revenue Code Section 118. The Company's appeal to the IRS was denied, resulting in generation of the IRS notice. The Company plans to defend its position in federal district court. As a precedent to this legal action, the Company paid the \$5.9 million tax to the IRS in October 2002 and paid \$2.8 million of interest on the taxes in December 2003. The Company believes it has a reasonable basis for its position on the bonus tax issue. As part of the Company's continuing

NOTES TO FINANCIAL STATEMENTS

defense of its tax position, a tax refund request was filed and was denied by the IRS. In December 2005, the Company filed a lawsuit in federal district court seeking a ruling on its position that the bonus amounts are capital under Section 118.

2. **Income Tax Carryforwards and Nonadmitted Assets**

As a result of large losses generated by the occurrence of eight hurricanes striking Florida in 2004 and 2005, the Company incurred net operating losses for federal and state income tax purposes. Under the provisions of Statement of Statutory Accounting Principles #10, Income Taxes (SSAP10), the Company's ability to record assets for the income tax benefits of tax losses is limited as follows:

Current income tax benefits are limited to recoveries of income taxes paid in prior years. The carryback period for federal tax recoveries is two years. There is no provision for carrybacks of Florida state income taxes.

Tax benefits in excess of federal taxes recovered from carrybacks to prior years are classified as deferred tax assets and subject to mathematical limit tests. The primary test being a requirement not to exceed 10% of third quarter reported surplus. State income tax loss carryforwards are not permitted to be reported as deferred tax assets and therefore are completely excluded from the financial statements.

Under the terms of a tax sharing agreement, the Company expects to realize its tax loss carryforwards through generation of its own taxable income and from taxable income generated from other members of the group.

3. **Capital and Surplus Levels**

Due to hurricane losses incurred in 2004 and 2005, the Company's capital and surplus has declined substantially. The parent company made a capital infusion of \$6 million in 2005 and the parent company is actively engaged in discussions with potential investors and lenders to obtain additional capital for the Company and its affiliates. As of the filing date of these financial statements, the parent company was evaluating proposals and it was continuing its efforts toward raising capital, but no financial capital transactions have been concluded.

Because of the capital decline, the Company has fallen below required levels of risk based capital, and under Florida Statute 624.4085, the Company must file a risk based capital plan with the Florida Office of Insurance Regulation that identifies corrective actions to eliminate the RBC deficiency.

4. **Agents Balance Certification**

(1) Agents Balances or Uncollected Premiums per Statement	\$ 6,117,293
(2) Premiums collected from "Controlled" or "Controlling" persons	\$ 6,117,293
(3) Premiums Collected by "Controlled" or "Controlling" Person within 15 working days immediately preceding reporting period	\$ 7,552,116
Amount of Applicable:	
(4) Trust Fund	\$118,973
(5) Letter of Credit	-0-
(6) Financial Guaranty Bond	-0-
(7) Total of Lines (4), (5), & (6)	\$118,973
(2) minus (3) minus (7); should not exceed zero	-0-

5. **Special Disability Trust Fund Reporting Form (Section 625.091, Florida Statutes)**

1. List the amount of credit taken for Special Disability Trust Fund recoveries by the insurer in the determination of its loss reserves for:

The prior calendar year: -0-

The current reporting period on a year-to-date basis: -0-

2. List the amount of payments received by the insurer from the Special Disability Trust Fund for:

The prior calendar year: -0-

The current year-to-date: -0-

3. List the amount assessed by the Special Disability Trust Fund for:

The prior calendar year: -0-

The current calendar year: -0-

D. **Uncollectible Premiums Receivable**

The Company's premiums receivable are all current and the Company does not foresee any problems with the collectibility of its receivables.

E. **Business Interruption Insurance Recoveries**

Not applicable

Note 22 – Events Subsequent

- A. There were no events occurring subsequent to the end of the current year through the date of this filing meriting disclosure.

NOTES TO FINANCIAL STATEMENTS

Note 23 -- Reinsurance**A. Unsecured Reinsurance Recoverables**

The Company's unsecured reinsurance balances (including ceded case and IBNR reserves) in excess of 3% of policyholders' surplus with any one reinsurer are displayed below:

NAIC Code	FEI Number	Name of Reinsurer	Amount (in 000's)
26921	22-2005057	Everest Reinsurance Company	\$ 37,354
19453	13-5616275	Transatlantic Reinsurance Company	15,784
25364	13-1675535	Swiss Reinsurance American Corporation	1,366
10227	13-4924125	American Re-Insurance Company	1,959
20370	51-0434766	Axis Reinsurance Company	8,380
39136	06-1325038	Converium Reinsurance (North America), Inc.	572
21482	05-0316605	Factory Mutual Insurance Company	932
22969	36-2667627	GE Reinsurance Corporation	354
21032	13-5009848	GMAC Re (US) o/b/o Motors Ins Corporation	204
23876	36-3347420	Mapfre Reinsurance Corporation	206
23680	47-0698507	Odyssey America Reinsurance Corporation	34,802
10357	52-1952955	Platinum Underwriters Reinsurance, Inc.	1,828
25364	13-1675535	Swiss Re Underwriters Agency (US)	1,223
42439	13-2918573	The Toa Reinsurance Company of America	196
	AA-1126033	Lloyd's Underwriter Syndicate No. 0033 HIS	505
	AA-1126570	Lloyd's Underwriter Syndicate No. 0570 ATR	417
	AA-1126958	Lloyd's Underwriter Syndicate No. 0958 GSC	356
	AA-1128003	Lloyd's Underwriter Syndicate No. 2003 SJC	417
	AA-1128001	Lloyd's Underwriter Syndicate No. 2001 AML	5,141
	AA-1128121	Lloyd's Underwriter Syndicate No. 2121 HYL	188
	AA-9991310	Florida Hurricane Catastrophe Fund	355,715
	AA-9992201	National Flood Insurance Program	12,709
			\$ 480,608

B. Reinsurance Recoverables in Dispute

There are no reinsurance recoverables in dispute.

C. Reinsurance Assumed and Ceded and Protected Cells

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

	Assumed		Ceded		Assumed Less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
a. Affiliates	-	-	-	-	-	-
b. All Other	-	-	51,806,409	11,606,830	(51,806,409)	(11,606,830)
c. Totals	-	-	51,806,409	11,606,830	(51,806,409)	(11,606,830)
d. Direct Unearned Premium Reserve \$68,743,353						

- The Company has accrued contingent reinsurance profit commission of (\$1,046,939) at December 31, 2005.

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

D. Uncollectible Reinsurance

The Company has not written off any balances due from reinsurers.

E. Commutation of Ceded Reinsurance

Not applicable

F. Retroactive Reinsurance

Not applicable

G. Reinsurance Accounted for as a Deposit

Not applicable

Note 24 -- Retrospectively Rated Contracts and Contracts Subject to Redetermination

A., B., C., and D. Not applicable

Note 25 -- Changes in Incurred Losses and Loss Adjustment Expenses

The estimated cost of loss and loss adjustment expenses attributable to insured events of prior years increased by \$23,443,000 during 2005, as shown in the chart below. This increase occurred in all lines of business except Fire. Increases or decreases of this nature occur as the result of claim settlements during the current year, and as additional information is received regarding individual claims, causing changes from the original estimates of the cost of these claims. The adverse loss development for 2005 was due to \$24 million of additional losses from 2004 hurricanes. The increase in losses from 2004 storms was caused by increases in property repair costs and discoveries of additional damages as repairs were made. The volume of claims, both to the Company and statewide were a factor in the loss increases. The Company has taken measures to improve loss adjusting and estimating for hurricane losses incurred in 2005.

NOTES TO FINANCIAL STATEMENTS

(000's omitted) (Lines of Business)	2005 Calendar Year Losses & LAE Incurred			2005 Loss Year Losses and LAE Incurred	Shortage (Redundancy)
	Losses Incurred	LAE Incurred	Total Incurred		
Fire	(146)	(55)	(201)	466	(667)
Allied Lines	36,326	1,792	38,118	22,789	15,329
Homeowners	7,273	336	7,609	(814)	8,423
Commercial multiple peril	365	(9)	356	0	356
Other Liability	25	0	25	25	0
Totals	43,843	2,064	45,907	22,466	23,441

No additional premiums or return premiums have been accrued as a result of the prior-year effects.

Note 26 – Intercompany Pooling Arrangements

A. Not applicable

Note 27 – Structural Settlements

A. and B. Not applicable

Note 28 – Health Care Receivables

A. and B. Not applicable

Note 29 – Participating Accident and Health Policies

A. Not applicable

Note 30 – Premium Deficiency Reserves

A. Not applicable

Note 31 – High Deductibles

A. Not applicable

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

A., B., and C. Not applicable

Note 33 – Asbestos and Environmental Reserves

A. through F. Not applicable

Note 34 – Subscriber Savings Accounts

A. Not applicable

Note 35 – Multiple Peril Crop Insurance

A. Not applicable

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities.....		0.0		0.0
1.2 U.S. government agency obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies.....		0.0		0.0
1.22 Issued by U.S. government sponsored agencies.....		0.0		0.0
1.3 Foreign government (including Canada, excluding mortgage-backed securities).....		0.0		0.0
1.4 Securities issued by states, territories and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations.....		0.0		0.0
1.42 Political subdivisions of states, territories & possessions & political subdivisions general obligations.....		0.0		0.0
1.43 Revenue and assessment obligations.....		0.0		0.0
1.44 Industrial development and similar obligations.....		0.0		0.0
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Issued or guaranteed by GNMA.....		0.0		0.0
1.512 Issued or guaranteed by FNMA and FHLMC.....		0.0		0.0
1.513 All other.....		0.0		0.0
1.52 CMOs and REMICs:				
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA.....		0.0		0.0
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521.....		0.0		0.0
1.523 All other.....		0.0		0.0
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO).....	517,172	1.3	517,172	1.3
2.2 Unaffiliated foreign securities.....		0.0		0.0
2.3 Affiliated securities.....		0.0		0.0
3. Equity interests:				
3.1 Investments in mutual funds.....		0.0		0.0
3.2 Preferred stocks:				
3.21 Affiliated.....		0.0		0.0
3.22 Unaffiliated.....		0.0		0.0
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated.....		0.0		0.0
3.32 Unaffiliated.....		0.0		0.0
3.4 Other equity securities:				
3.41 Affiliated.....		0.0		0.0
3.42 Unaffiliated.....		0.0		0.0
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated.....		0.0		0.0
3.52 Unaffiliated.....		0.0		0.0
4. Mortgage loans:				
4.1 Construction and land development.....		0.0		0.0
4.2 Agricultural.....		0.0		0.0
4.3 Single family residential properties.....		0.0		0.0
4.4 Multifamily residential properties.....		0.0		0.0
4.5 Commercial loans.....		0.0		0.0
4.6 Mezzanine real estate loans.....		0.0		0.0
5. Real estate investments:				
5.1 Property occupied by company.....		0.0		0.0
5.2 Property held for production of income (including \$.....0 of property acquired in satisfaction of debt).....		0.0		0.0
5.3 Property held for sale (including \$.....0 property acquired in satisfaction of debt).....		0.0		0.0
6. Contract loans.....		0.0		0.0
7. Receivables for securities.....		0.0		0.0
8. Cash, cash equivalents and short-term investments.....	36,600,933	92.6	36,600,933	92.6
9. Other invested assets.....	2,410,134	6.1	2,410,134	6.1
10. Total invested assets.....	39,528,239	100.0	39,528,239	100.0

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? Florida
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change: _____
If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2002
- 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. 12/31/2002
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 08/07/2004
- 3.4 By what department or departments? Florida Office of Insurance Regulation
- 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 a 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 [X] No []
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [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?
- 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? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes [] No [X]
- 6.2 If yes, give full information: _____
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control. _____%
- 7.22 State the nationality(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 location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency (i.e., the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)) and identify the affiliate's primary federal regulator.
- | 1
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?
Deloitte & Touche, LLP, 201 E. Kennedy Blvd., Tampa, FL 33602-5821
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?
Actuary/Consultant: Butler, Dunlap & Lindquist, LLC, 1882 Capital Circle NE, Suite 201, Tallahassee, FL 32308
- 11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 11.11 Name of real estate holding company: _____
- 11.12 Number of parcels involved: _____
- 11.13 Total book/adjusted carrying value: _____
- 11.2 If yes, provide explanation. _____
12. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 12.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity? _____
- 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 [X]

BOARD OF DIRECTORS

13. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes [X] No []
14. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No []
15. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

FINANCIAL

- 16.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 16.11 To directors or other officers \$.....0
- 16.12 To stockholders not officers \$.....0
- 16.13 Trustees, supreme or grand (Fraternal only) \$.....0
- 16.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 16.21 To directors or other officers \$.....0
- 16.22 To stockholders not officers \$.....0
- 16.23 Trustees, supreme or grand (Fraternal only) \$.....0
- 17.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 17.2 If yes, state the amount thereof at December 31 of the current year:
- 17.21 Rented from others \$.....0
- 17.22 Borrowed from others \$.....0
- 17.23 Leased from others \$.....0
- 17.24 Other \$.....0
- 18.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 18.2 If answer is yes:
- 18.21 Amount paid as losses or risk adjustment \$.....0
- 18.22 Amount paid as expenses \$.....0
- 18.23 Other amounts paid \$.....0
- 19.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 19.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount.

INVESTMENT

- 20.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E-Part 3-Special Deposits? Yes [] No [X]
- 20.2 If no, give full and complete information relating thereto.
Marketable securities are held by the corresponding money managers. However, the company maintains exclusive control.
- 21.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on Schedule E-Part 3-Special Deposits, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 17.1) Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Loaned to others
- 21.22 Subject to repurchase agreements
- 21.23 Subject to reverse repurchase agreements
- 21.24 Subject to dollar repurchase agreements
- 21.25 Subject to reverse dollar repurchase agreements
- 21.26 Pledged as collateral
- 21.27 Placed under option agreements
- 21.28 Lender stock or securities restricted as to sale
- 21.29 Other
- 21.3 For category (21.28) provide the following:
- | 1
Nature of Restriction | 2
Description | 3
Amount |
|----------------------------|------------------|-------------|
| | | |
- 22.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
- 22.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
If no, attach a description with this statement.
- 23.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]
- 23.2 If yes, state the amount thereof at December 31 of the current year:
24. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1-General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

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

1 Name of Custodian(s)	2 Custodian's Address
Wachovia Trust Department	225 Water St., 5th Floor, Jacksonville, FL 32202
Salomon Smith Barney	100 N. Tampa St., Suite 3000, Tampa, FL 33602
UBS Financial Services	100 S. Ashley Dr., Suite 1800, Tampa, FL 33601
Banc of America Securities/Prime Brokerage	9 West 57th St., New York, NY 10019
Raymond James & Associates, Inc.	100 N. Tampa St., Suite 2400, Tampa, FL 33602
Merrill Lynch	201 N. Franklin Street, Suite 3500, Tampa, FL 33602

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

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

- 24.03 Have there been any changes, including name changes, in the custodian(s) identified in 24.01 during the current year? Yes [X] No []
- 24.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
Banc of America Securities/Prime Brokerage		February 2005	Account closed

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

1 Central Registration Depository Number(s)	2 Name	3 Address
104594	Robert Schumacher	225 Water St., 5th Floor, Jacksonville, FL 32202
328648	Graham McKeel	100 N. Tampa St., Suite 3000, Tampa, FL 33602
733175	Andrew Cappello	100 N. Tampa St., Suite 3000, Tampa, FL 33602
1264977	Christie Roberts	100 N. Tampa St., Suite 3000, Tampa, FL 33602
1556778	Steve Murray	100 S. Ashley Dr., Suite 1800, Tampa, FL 33601

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

1091446	Lewis Mark Carron	100 N. Tampa St., Suite 2400, Tampa, FL 33602
7891	Michael D. Valdes	201 N. Franklin St., Suite 3500, Tampa, FL 33602

- 25.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)]?)

Yes [] No [X]

- 25.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adj. Carrying Value
25.2999. TOTAL		0

- 25.3 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
--	--	--	------------------------

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
26.1 Bonds.....	59,982,117	59,996,120	14,003
26.2 Preferred stocks.....			0
26.3 Totals.....	59,982,117	59,996,120	14,003

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

SVO Unit prices were used to determine fair value, if the prices were available. For other bonds, the fair values were obtained from statements from investment custodians and securities dealers, specifically UBS Paine Webber, Wachovia and Smith Barney.

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

Yes [X] No []

- 27.2 If no, list exceptions:

OTHER

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

\$.....159,691

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

1 Name	2 Amount Paid
Insurance Services Office, Inc.	158,085

- 29.1 Amount of payments for legal expenses, if any?

\$.....36,562

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

1 Name	2 Amount Paid
Holland & Knight	36,562

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

\$.....0

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

1 Name	2 Amount Paid
-----------	------------------

GENERAL INTERROGATORIES (continued)

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U.S. business only.
- 1.3 What portion of item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?
- 1.31 Reason for excluding:
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in 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 lives0
- 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 lives0
- 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 lives0
- All years prior to most current three years:
- 1.74 Total premium earned \$.....0
- 1.75 Total incurred claims0
- 1.76 Number of covered lives0
2. Health test:
- | | 1
Current Year | 2
Prior Year |
|----------------------------------|-------------------|-----------------|
| 2.1 Premium Numerator..... | ..... | ..... |
| 2.2 Premium Denominator..... | 35,686,528 | 75,998,650 |
| 2.3 Premium Ratio (2.1/2.2)..... | 0.0 | 0.0 |
| 2.4 Reserve Numerator..... | ..... | ..... |
| 2.5 Reserve Denominator..... | 41,978,064 | 112,672,598 |
| 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 [] No [X]
- 3.2 If yes, state the amount of calendar year premiums written on:
- 3.21 Participating
- 3.22 Non-participating policies
4. For Mutual Reporting Entities and Reciprocal Exchange only:
- 4.1 Does the reporting entity issue assessable policies? Yes [] No []
- 4.2 Does the reporting entity issue non-assessable policies? Yes [] No []
- 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders?%
- 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.
5. For Reciprocal Exchanges only:
- 5.1 Does the exchange appoint local agents? Yes [] No []
- 5.2 If yes, is the commission paid:
- 5.21 Out of Attorney's-in-fact compensation Yes [] No [] 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?
N/A
- 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, as part of its Exposure Management Planning, bases its stewardship and PML analysis of hurricane event scenarios using EQECAT's US Wind catastrophe analysis. The company's commercial habitational property risks, condo and apartment buildings, in south Florida contribute to the combined PML scenario. Primary wind exposure, based upon such modeling, is believed to be south Florida, primarily Palm Beach and Broward counties. The company's secondary wind exposure is believed to be Manatee, Sarasota and Lee counties.
- 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 property insurance loss?
The company protects itself from such excessive loss scenario by using: (1) quota share treaties on both its homeowners and commercial lines of business; (2) by participating (90% election) in the Florida Hurricane Catastrophe Fund (FHCF); (3) through occurrence limit and per risk excess coverages in both its lines of business; and (4) through catastrophe excess coverage. The company will continue to evaluate exposures and coverages for PML coverage prior to hurricane season - June 2006.
- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [X] No []
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss.
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [X] No []
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.4
- 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,

GENERAL INTERROGATORIES (continued)

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

from any loss that may occur on this risk, or portion thereof, reinsured? Yes [] No [X]

8.2 If yes, give full information:

9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement (i) it recorded a positive or negative underwriting result greater than 3% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 3% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:

(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;

(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;

(c) Aggregate stop loss reinsurance coverage;

(d) An unconditional or unilateral right by either party to commute the reinsurance contract except for such provisions which are only triggered by a decline in the credit status of the other party;

(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or

(f) Payment schedule, accounting retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity?

Yes [] No [X]

9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under 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?

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

(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or

(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

Yes [] No [X]

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

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such 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 [] No [] N/A [X]

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 \$.....0

12.12 Unpaid underwriting expenses (including loss adjustment expenses) \$.....0

12.2 Of the amount on Line 13.3, Page 2, state the amount which is secured by letters of credit, collateral and other funds: \$.....0

12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [] No [] N/A [X]

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

12.41 From%

12.42 To%

12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by 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 [] No [X]

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

12.61 Letters of credit

12.62 Collateral and other funds

13.1 What amount of installment notes is owned and now held by the reporting entity? \$.....0

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

13.3 If yes, what amount?

14.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$.....2,075,000

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

14.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of this amount:6

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

15.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
Consists of quota share and catastrophe excess treaties where allocation is based on actual premiums and losses of the individual companies.

15.3 If the answer to 15.1 is yes, are the methods described in item 15.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [] No [X]

15.4 If the answer to 15.3 is no, are all the methods described in 15.2 entirely contained in written agreements? Yes [] No [X]

15.5 If the answer to 15.4 is no, please explain:
Personal lines catastrophe excess coverage and premium are allocated based on earned premium of the companies over the treaty period, adjusted by agreement between the companies.

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

16.2 If yes, give full information:

GENERAL INTERROGATORIES (continued)**PART 2 - PROPERTY AND CASUALTY INTERROGATORIES**

17.1 Does the reporting entity write any warranty business?

Yes ☐ No ☒

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
17.11 Home.....					
17.12 Products.....					
17.13 Automobile.....					
17.14 Other*.....					

* Disclose type of coverage:

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

Yes ☐ No ☒

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

Provide the following information for this exemption:

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

18.12 Unfunded portion of Interrogatory 18.11

18.13 Paid losses and loss adjustment expenses portion of Interrogatory 18.11

18.14 Case reserves portion of Interrogatory 18.11

18.15 Incurred but not reported portion of Interrogatory 18.11

18.16 Unearned premium portion of Interrogatory 18.11

18.17 Contingent commission portion of Interrogatory 18.11

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

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

18.19 Unfunded portion of Interrogatory 18.18

18.20 Paid losses and loss adjustment expenses portion of Interrogatory 18.18

18.21 Case reserves portion of Interrogatory 18.18

18.22 Incurred but not reported portion of Interrogatory 18.18

18.23 Unearned premium portion of Interrogatory 18.18

18.24 Contingent commission portion of Interrogatory 18.18

FIVE-YEAR HISTORICAL DATA

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

	1 2005	2 2004	3 2003	4 2002	5 2001
Gross Premiums Written (Page 8, Part 1B, Col. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	352,225	334,356	275,627	154,960	62,095
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	114,183,786	145,814,074	116,872,140	62,746,916	21,899,740
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	33,524,301	32,064,891	40,753,236	43,042,531	44,084,277
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....				1,978,805	2,334,025
5. Non-proportional reinsurance lines (Lines 30, 31 & 32).....					
6. Total (Line 34).....	148,060,292	178,213,921	157,702,003	107,823,212	68,380,137
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	14,517	12,029	11,189	6,224	2,430
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	7,802,720	68,100,147	54,598,809	27,790,832	7,903,407
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	6,166,880	11,310,429	14,851,356	18,875,931	18,096,706
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....				1,978,805	2,334,025
11. Non-proportional reinsurance lines (Lines 30, 31 & 32).....					
12. Total (Line 34).....	13,984,117	79,422,605	69,461,354	48,651,792	28,336,568
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	(20,198,486)	(95,280,314)	37,026,019	11,504,017	7,063,262
14. Net investment gain (loss) (Line 11).....	9,883,087	3,077,404	3,263,586	(3,477,679)	2,737,252
15. Total other income (Line 15).....	89,739	1,154	2,744	886	2,623
16. Dividends to policyholders (Line 17).....					
17. Federal and foreign income taxes incurred (Line 19).....	436,731	(18,969,024)	14,077,276	6,257,182	2,206,625
18. Net income (Line 20).....	(10,662,391)	(73,232,733)	26,215,073	1,770,042	7,596,612
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 24, Col. 3).....	71,783,882	142,881,231	114,010,522	79,580,189	58,474,204
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 13.1).....	6,117,283	12,303,130	9,646,320	7,808,268	4,690,128
20.2 Deferred and not yet due (Line 13.2).....					
20.3 Accrued retrospective premiums (Line 13.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 24).....	67,271,829	124,110,518	51,490,573	46,749,487	29,829,486
22. Losses (Page 3, Lines 1 & 2).....	23,862,608	70,905,905	6,990,523	4,807,957	2,844,487
23. Loss adjustment expenses (Page 3, Line 3).....	878,512	3,127,338	1,203,371	893,544	530,227
24. Unearned premiums (Page 3, Line 9).....	16,936,944	38,639,355	35,215,400	27,457,840	14,744,952
25. Capital paid up (Page 3, Lines 28 & 29).....	100	100	100	100	100
26. Surplus as regards policyholders (Page 3, Line 35).....	4,512,033	18,770,713	62,519,949	32,830,702	28,644,720
Risk-Based Capital Analysis					
27. Total adjusted capital.....	4,512,033	18,770,713	62,519,949	32,830,702	28,644,719
28. Authorized control level risk-based capital.....	10,213,666	15,881,682	7,450,162	4,978,025	4,218,486
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 10, Col. 3) x 100.0					
29. Bonds (Line 1).....	1.3	17.5	47.4	32.2	25.0
30. Stocks (Lines 2.1 & 2.2).....		37.3	22.2	24.4	54.3
31. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
32. Real estate (Lines 4.1, 4.2 & 4.3).....					
33. Cash, cash equivalents and short-term investments (Line 5).....	92.6	36.4	24.0	43.4	20.7
34. Contract loans (Line 6).....				XXX	XXX
35. Other invested assets (Line 7).....	8.1	8.8	6.4		
36. Receivable for securities (Line 8).....					
37. Aggregate write-ins for invested assets (Line 9).....					
38. Cash, cash equivalents and invested assets (Line 10).....	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
39. Affiliated bonds (Sch. D, Summary, Line 25, Col. 1).....					
40. Affiliated preferred stocks (Sch. D, Summary, Line 39, Col. 1).....					
41. Affiliated common stocks (Sch. D, Summary, Line 53, Col. 2).....					
42. Affiliated short-term investments (subtotals included in Schedule DA, Part 2, Col. 5, Line 11).....					
43. Affiliated mortgage loans on real estate.....					
44. All other affiliated.....					
45. Total of above lines 39 to 44.....	0	0	0	0	0
46. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 45 above divided by Page 3, Col. 1, Line 35 x 100.0).....	0.0				

FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2005	2004	2003	2002	2001
Capital and Surplus Accounts (Page 4)					
47. Net unrealized capital gains (losses) (Line 24).....	(2,687,117)	1,072,438	2,249,016	(867,057)	(5,268,895)
48. Dividends to stockholders (Line 35).....					(13,000,000)
49. Change in surplus as regards policyholders for the year (Line 38).....	(14,258,680)	(43,749,236)	29,689,246	4,185,962	(11,552,647)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
50. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....					
51. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	175,956,269	74,567,384	1,483,351	1,039,907	915,930
52. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	46,027,893	88,459,371	15,479,035	16,445,599	14,611,350
53. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....					
54. Nonproportional reinsurance lines (Lines 30, 31 & 32).....					
55. Total (Line 34).....	221,984,162	163,026,755	16,962,386	17,485,506	15,527,280
Net Losses Paid (Page 9, Part 2, Col. 4)					
56. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....					
57. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	79,596,767	48,150,326	766,297	458,523	448,944
58. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	11,289,218	36,016,919	7,613,557	8,324,227	6,830,466
59. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29 & 33).....					
60. Nonproportional reinsurance lines (Lines 30, 31 & 32).....					
61. Total (Line 34).....	90,885,985	84,167,244	8,379,854	8,782,750	7,279,410
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
62. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
63. Losses incurred (Line 2).....	122.9	194.8	17.1	29.9	30.1
64. Loss expenses incurred (Line 3).....	5.8	7.6	3.4	5.5	5.8
65. Other underwriting expenses incurred (Line 4).....	28.0	22.9	19.5	32.6	36.9
66. Net underwriting gain (loss) (Line 8).....	(56.6)	(125.4)	60.0	32.0	27.5
Other Percentages					
67. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 34 x 100.0).....	70.7	21.9	17.3	24.1	33.5
68. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	128.6	202.5	20.5	35.4	35.7
69. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 34, divided by Page 3, Line 35, Col. 1 x 100.0).....	309.9	423.1	111.1	148.2	98.9
One Year Loss Development (000 omitted)					
70. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	22,767	(1,501)	2,666	1,227	278
71. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 70 above divided by Page 4, Line 21, Col. 1 x 100).....	121.3	(2.4)	8.1	4.3	0.7
Two Year Loss Development (000 omitted)					
72. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	(1,216)	2,204	1,656	915	(825)
73. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 72 above divided by Page 4, Line 21, Col. 2 x 100.0).....	(1.9)	6.7	5.8	2.3	(2.4)

EXHIBIT OF PREMIUMS AND LOSSES (Statutory Page 14)



NAIC Group Code...2578 NAIC Company Code...10661

BUSINESS IN THE STATE OF FLORIDA DURING THE YEAR

Line of Business	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies not Taken		Dividends Paid or Credited to Policyholders on Direct Business	Direct Unearned Premium Reserves	Direct Losses Paid (deducting salvage)	Direct Losses Incurred	Direct Losses Unpaid	Direct Defense and Cost Containment Expense Incurred	Direct Defense and Cost Containment Expense Paid	Direct Defense and Cost Containment Expense Unpaid	Commissions and Brokerage Expenses	Taxes, Licenses and Fees
	1	2										
1. Fire.....	19,096,135	23,505,646		8,097,360	395,703	100,851	797,762	11,501	4,218	9,512	4,576,259	379,344
2.1 Allied lines.....	71,227,811	96,035,347		30,098,560	175,360,566	472,311,571	434,786,652	169,929	133,188	90,702	16,875,051	1,419,969
2.2 Multiple peril prop.....												
2.3 Federal flood.....												
3. Farmowners multiple peril.....	23,858,820	20,830,722		12,709,214								
4. Homeowners multiple peril.....												
5.1 Commercial multiple peril (non-liability portion).....	31,876,062	30,156,052		16,995,921	44,221,949	57,213,855	28,951,217	471,259	492,232	477,079	8,241,112	613,212
5.2 Commercial multiple peril (liability portion).....					1,499,728	916,271	13,224	8,389	15,981			
6. Mortgage guaranty.....					20,658	11,967	51,792	(4,240)	20,688	5,556		
7. Inland marine.....												
8. Ocean marine.....												
9. Financial guaranty.....												
10. Medical malpractice.....												
11. Earthquake.....												
12. Group accident and health (b).....												
13. Credit A & H (group and individual).....												
14. Collectively renewable A&H (b).....												
15.1 Guaranteed renewable A & H (b).....												
15.2 Non-cancelable A & H (b).....												
15.3 Guaranteed renewable A & H (b).....												
15.4 Non-renewable for stated reasons only (b).....												
15.5 Other accident only.....												
15.6 All other A & H (b).....												
15.7 Federal employees health benefits program premium (b).....												
16. Workers' compensation.....	352,225	341,734		175,484		495,000	500,000				81,391	7,022
17. Other liability.....												
18. Products liability.....												
19.1 Private passenger auto no-fault (personal injury protection).....												
19.2 Other private passenger auto liability.....												
19.3 Commercial auto no-fault (personal injury protection).....												
19.4 Other commercial auto liability.....												
21.1 Private passenger auto physical damage.....	1,648,209	2,190,395		666,614	279,357	408,699	139,201				391,652	32,858
21.2 Commercial auto physical damage.....												
22. Aircraft (all perils).....												
23. Fidelity.....												
24. Surety.....												
26. Burglary and theft.....												
27. Boiler and machinery.....												
28. Credit.....												
33. Aggregate write-ins for other lines of business.....	148,050,292	162,859,896		68,749,353	271,978,201	531,463,203	465,190,048	676,838	666,297	512,849	34,841,537	2,928,065
34. TOTALS (a).....												

DETAILS OF WRITE-INS

3301.....												
3302.....												
3303.....												
3308. Summary of remaining write-ins for Line 33 from overflow page.....												
3309. TOTALS (Lines 3301 thru 3303 plus 3308) (Line 33 above).....												

(a) Finance and service charges not included in Lines 1 to 34 \$.....0.

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products.....0 and number of persons insured under indemnity only products.....0.

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

1. Book/adjusted carrying value, December 31 of prior year.....	
2. Increase (decrease) by adjustment:	
2.1 Totals, Part 1, Column 11.....	
2.2 Totals, Part 3, Column 7.....	
3. Cost of acquired (Totals, Part 2, Column 6, net of encumbrances (Column 7) and net of additions and permanent improvements (Column 9)).....	
4. Cost of additions and permanent improvements:	
4.1 Totals, Part 1, Column 14.....	
4.2 Totals, Part 3, Column 9.....	
5. Total profit (loss) on sales, Part 3, Column 14.....	NONE
6. Increase (decrease) by foreign exchange adjustment:	
6.1 Totals, Part 1, Column 12.....	
6.2 Totals, Part 3, Column 8.....	
7. Amounts received on sales, Part 3, Column 11 and Part 1, Column 13.....	
8. Book/adjusted carrying value at end of current period.....	0
9. Total valuation allowance.....	
10. Subtotal (Lines 8 plus 9).....	0
11. Total nonadmitted amounts.....	
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column).....	0

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

1. Book value/recorded investment excluding accrued interest of mortgages owned, December 31 of prior year.....	
2. Amount loaned during year:	
2.1 Actual cost at time of acquisitions.....	
2.2 Additional investment made after acquisitions.....	0
3. Accrual of discount and mortgage interest points and commitment fees.....	
4. Increase (decrease) by adjustment.....	NONE
5. Total profit (loss) on sale.....	
6. Amounts paid on account or in full during the year.....	
7. Amortization of premium.....	
8. Increase (decrease) by foreign exchange adjustment.....	
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period.....	0
10. Total valuation allowance.....	
11. Subtotal (Lines 9 plus 10).....	0
12. Total nonadmitted amounts.....	
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column).....	0

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Long-Term Invested Assets

1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year.....	7,632,521
2. Cost of acquisitions during year:	
2.1 Actual cost at time of acquisitions.....	
2.2 Additional investment made after acquisitions.....	390,000
3. Accrual of discount.....	
4. Increase (decrease) by adjustment.....	(468,209)
5. Total profit (loss) on sale.....	871,116
6. Amounts paid on account or in full during the year.....	6,015,293
7. Amortization of premium.....	
8. Increase (decrease) by foreign exchange adjustment.....	
9. Book/adjusted carrying value of long-term invested assets at end of current period.....	2,410,134
10. Total valuation allowance.....	
11. Subtotal (Lines 9 plus 10).....	2,410,134
12. Total nonadmitted amounts.....	
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3).....	2,410,134

SCHEDULE D - SUMMARY BY COUNTRY

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

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS					
Governments (Including all obligations guaranteed by governments)	1. United States.....				
	2. Canada.....				
	3. Other Countries.....				
	4. Totals.....	0	0	0	0
States, Territories and Possessions (Direct and guaranteed)	5. United States.....				
	6. Canada.....				
	7. Other Countries.....				
	8. Totals.....	0	0	0	0
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States.....				
	10. Canada.....				
	11. Other Countries.....				
	12. Totals.....	0	0	0	0
Special Revenue and Special Assessment Obligations and all Non-guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions	13. United States.....				
	14. Canada.....				
	15. Other Countries.....				
	16. Totals.....	0	0	0	0
Public Utilities (Unaffiliated)	17. United States.....				
	18. Canada.....				
	19. Other Countries.....				
	20. Totals.....	0	0	0	0
Industrial and Miscellaneous and Credit Tenant Loans (Unaffiliated)	21. United States.....	517,172	531,175	517,230	500,000
	22. Canada.....				
	23. Other Countries.....				
	24. Totals.....	517,172	531,175	517,230	500,000
Parent, Subsidiaries and Affiliates					
25. Totals.....					
26. Total Bonds.....		517,172	531,175	517,230	500,000
PREFERRED STOCKS					
Public Utilities (Unaffiliated)	27. United States.....				
	28. Canada.....				
	29. Other Countries.....				
	30. Totals.....	0	0	0	0
Banks, Trust and Insurance Companies (Unaffiliated)	31. United States.....				
	32. Canada.....				
	33. Other Countries.....				
	34. Totals.....	0	0	0	0
Industrial and Miscellaneous (Unaffiliated)	35. United States.....				
	36. Canada.....				
	37. Other Countries.....				
	38. Totals.....	0	0	0	0
Parent, Subsidiaries and Affiliates					
39. Totals.....					
40. Total Preferred Stocks.....		0	0	0	0
COMMON STOCKS					
Public Utilities (Unaffiliated)	41. United States.....				
	42. Canada.....				
	43. Other Countries.....				
	44. Totals.....	0	0	0	0
Banks, Trust and Insurance Companies (Unaffiliated)	45. United States.....				
	46. Canada.....				
	47. Other Countries.....				
	48. Totals.....	0	0	0	0
Industrial and Miscellaneous (Unaffiliated)	49. United States.....				
	50. Canada.....				
	51. Other Countries.....				
	52. Totals.....	0	0	0	0
Parent, Subsidiaries and Affiliates					
53. Totals.....					
54. Total Common Stocks.....		0	0	0	0
55. Total Stocks.....		0	0	0	0
56. Total Bonds and Stocks.....		517,172	531,175	517,230	

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1. Book/adjusted carrying value of bonds and stocks, prior year.....	47,535,984	7. Amortization of premium.....	11,190
2. Cost of bonds and stocks acquired, Column 7, Part 3.....	1,559,457	8. Foreign exchange adjustment:	
3. Accrual of discount.....	328	8.1 Column 15, Part 1.....	
4. Increase (decrease) by adjustment:		8.2 Column 19, Part 2, Section 1.....	
4.1 Columns 12 - 14, Part 1.....		8.3 Column 16, Part 2, Section 2.....	
4.2 Columns 15 - 17, Part 2, Section 1.....		8.4 Column 15, Part 4.....	(146,283)
4.3 Column 15, Part 2, Section 2.....		9. Book/adjusted carrying value at end of current period.....	517,170
4.4 Columns 11 - 13, Part 4.....	(3,662,816)	10. Total valuation allowance.....	
5. Total gain (loss), Column 19, Part 4.....	7,031,798	11. Subtotal (Lines 9 plus 10).....	517,170
6. Deduct consideration for bonds and stocks disposed of, Column 7, Part 4.....	51,790,107	12. Total nonadmitted amounts.....	
		13. Statement value of bonds and stocks, current year.....	517,170

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11
	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Column 6 as a % of Line 10.7	Total from Column 8 Prior Year	% from Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
1. U.S. Governments, Schedules D & DA (Group 1)											
1.1 Class 1							0.0	62,217,162	90.4		
1.2 Class 2							0.0				
1.3 Class 3							0.0				
1.4 Class 4							0.0				
1.5 Class 5							0.0				
1.6 Class 6							0.0				
1.7 Totals	0	0	0	0	0		0.0	62,217,162	90.4	0	0
2. All Other Governments, Schedules D & DA (Group 2)											
2.1 Class 1							0.0				
2.2 Class 2							0.0	1,266,098	1.8		
2.3 Class 3							0.0				
2.4 Class 4							0.0				
2.5 Class 5							0.0				
2.6 Class 6							0.0				
2.7 Totals	0	0	0	0	0		0.0	1,266,098	1.8	0	0
3. States, Territories and Possessions, etc., Guaranteed, Schedules D & DA (Group 3)											
3.1 Class 1	59,412,822					59,412,822	99.1			59,412,822	
3.2 Class 2							0.0				
3.3 Class 3							0.0				
3.4 Class 4							0.0				
3.5 Class 5							0.0				
3.6 Class 6							0.0				
3.7 Totals	59,412,822	0	0	0	0	59,412,822	99.1	0		59,412,822	0
4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)											
4.1 Class 1							0.0				
4.2 Class 2							0.0				
4.3 Class 3							0.0				
4.4 Class 4							0.0				
4.5 Class 5							0.0				
4.6 Class 6							0.0				
4.7 Totals	0	0	0	0	0	0	0.0	0		0	0
5. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed, Schedules D & DA (Group 5)											
5.1 Class 1							0.0				
5.2 Class 2							0.0				
5.3 Class 3							0.0				
5.4 Class 4							0.0				
5.5 Class 5							0.0				
5.6 Class 6							0.0				
5.7 Totals	0	0	0	0	0	0	0.0	0		0	0

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusting Carrying Values By Major Types of Issues and NAIC Designations

	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6)											
6.1 Class 1.....						0	0.0				
6.2 Class 2.....						0	0.0				
6.3 Class 3.....						0	0.0				
6.4 Class 4.....						0	0.0				
6.5 Class 5.....						0	0.0				
6.6 Class 6.....						0	0.0				
6.7 Totals.....	0	0	0	0	0	0	0.0	0	0	0	0
7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1 Class 1.....	52,123				517,172	569,295	0.9	5,362,564	7.8	569,295	
7.2 Class 2.....						0	0.0				
7.3 Class 3.....						0	0.0				
7.4 Class 4.....						0	0.0				
7.5 Class 5.....						0	0.0				
7.6 Class 6.....						0	0.0				
7.7 Totals.....	52,123	0	0	0	517,172	569,295	0.9	5,362,564	7.8	569,295	0
8. Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1 Class 1.....						0	0.0				
8.2 Class 2.....						0	0.0				
8.3 Class 3.....						0	0.0				
8.4 Class 4.....						0	0.0				
8.5 Class 5.....						0	0.0				
8.6 Class 6.....						0	0.0				
8.7 Totals.....	0	0	0	0	0	0	0.0	0	0	0	0
9. Parent Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1 Class 1.....						0	0.0				
9.2 Class 2.....						0	0.0				
9.3 Class 3.....						0	0.0				
9.4 Class 4.....						0	0.0				
9.5 Class 5.....						0	0.0				
9.6 Class 6.....						0	0.0				
9.7 Totals.....	0	0	0	0	0	0	0.0	0	0	0	0

Southern Family Insurance Company

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
10. Total Bonds Current Year											
10.1 Class 1	59,464,945				517,172	59,982,117	100.0	XXX	XXX	59,982,117	
10.2 Class 2								XXX	XXX		
10.3 Class 3								XXX	XXX		
10.4 Class 4								XXX	XXX		
10.5 Class 5								XXX	XXX		
10.6 Class 6								XXX	XXX		
10.7 Totals	59,464,945				517,172	59,982,117	100.0	XXX	XXX	59,982,117	
10.8 Line 10.7 as a % of Col. 6	99.1				0.9	100.0	XXX	XXX	XXX	100.0	0.0
11. Total Bonds Prior Year											
11.1 Class 1	54,914,466	1,035,740			12,885,618	68,845,824	100.0	68,845,824	100.0	68,845,824	
11.2 Class 2								XXX	XXX		
11.3 Class 3								XXX	XXX		
11.4 Class 4								XXX	XXX		
11.5 Class 5								XXX	XXX		
11.6 Class 6								XXX	XXX		
11.7 Totals	54,914,466	1,035,740			12,885,618	68,845,824	100.0	68,845,824	100.0	68,845,824	
11.8 Line 11.7 as a % of Col. 8	79.8	1.5			18.7	100.0	XXX	XXX	XXX	100.0	0.0
12. Total Publicly Traded Bonds											
12.1 Class 1	59,464,945				517,172	59,982,117	100.0	68,845,824	100.0	59,982,117	XXX
12.2 Class 2								XXX	XXX		XXX
12.3 Class 3								XXX	XXX		XXX
12.4 Class 4								XXX	XXX		XXX
12.5 Class 5								XXX	XXX		XXX
12.6 Class 6								XXX	XXX		XXX
12.7 Totals	59,464,945				517,172	59,982,117	100.0	68,845,824	100.0	59,982,117	XXX
12.8 Line 12.7 as a % of Col. 6	99.1				0.9	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10	99.1				0.9	100.0	XXX	XXX	XXX	100.0	XXX
13. Total Privately Placed Bonds											
13.1 Class 1								XXX	XXX		XXX
13.2 Class 2								XXX	XXX		XXX
13.3 Class 3								XXX	XXX		XXX
13.4 Class 4								XXX	XXX		XXX
13.5 Class 5								XXX	XXX		XXX
13.6 Class 6								XXX	XXX		XXX
13.7 Totals								XXX	XXX		XXX
13.8 Line 13.7 as a % of Col. 6								XXX	XXX		XXX
13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10								XXX	XXX		XXX

(a) Includes \$0.00 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$0.00 current year, \$0.00 prior year of bonds with Z designations and \$0.00 current year, \$0.00 prior year of bonds with Z designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.

(c) Includes \$0.00 current year, \$0.00 prior year of bonds with 5* designations and \$0.00 current year, \$0.00 prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

Southern Family Insurance Company

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

Distribution by Type		1	2	3	4	5	6	7	8	9	10	11
		1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Column 6 as a % of Line 10.7	Total from Column 6 Prior Year	% from Col. 7 Prior Year	Total Publicly Traded	Total Privately Placed
1. U.S. Governments, Schedules D & DA (Group 1)												
1.1	Issuer Obligations											
1.2	Single Class Mortgage-Backed/Asset-Backed Securities											
1.7	Totals	0	0	0	0	0	0	0.0	62,217,162	90.4	0	0
2. All Other Governments, Schedules D & DA (Group 2)												
2.1	Issuer Obligations											
2.2	Single Class Mortgage-Backed/Asset-Backed Securities											
	MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
2.3	Defined											
2.4	Other											
	MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
2.5	Defined											
2.6	Other											
2.7	Totals	0	0	0	0	0	0	0.0	62,217,162	90.4	0	0
3. States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 3)												
3.1	Issuer Obligations	59,412,822					59,412,822	99.1			59,412,822	
3.2	Single Class Mortgage-Backed/Asset-Backed Securities											
	MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
3.3	Defined											
3.4	Other											
	MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
3.5	Defined											
3.6	Other											
3.7	Totals	59,412,822	0	0	0	0	59,412,822	99.1	1,266,098	1.8	59,412,822	0
4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4)												
4.1	Issuer Obligations											
4.2	Single Class Mortgage-Backed/Asset-Backed Securities											
	MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
4.3	Defined											
4.4	Other											
	MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
4.5	Defined											
4.6	Other											
4.7	Totals	0	0	0	0	0	0	0.0	0	0	0	0
5. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed, Schedules D & DA (Group 5)												
5.1	Issuer Obligations											
5.2	Single Class Mortgage-Backed/Asset-Backed Securities											
	MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
5.3	Defined											
5.4	Other											
	MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES:											
5.5	Defined											
5.6	Other											
5.7	Totals	0	0	0	0	0	0	0.0	0	0	0	0

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6)											
6.1 Issuer Obligations.....						0	0.0				
6.2 Single Class Mortgage-Backed/Asset-Backed Securities.....						0	0.0				
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
6.3 Defined.....						0	0.0				
6.4 Other.....						0	0.0				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
6.5 Defined.....						0	0.0				
6.6 Other.....						0	0.0				
6.7 Totals.....	0	0	0	0	0	0	0.0	0		0	0
7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7)											
7.1 Issuer Obligations.....	52,123				517,172	569,295	0.9	5,362,564	7.8	569,295	
7.2 Single Class Mortgage-Backed/Asset-Backed Securities.....						0	0.0				
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
7.3 Defined.....						0	0.0				
7.4 Other.....						0	0.0				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
7.5 Defined.....						0	0.0				
7.6 Other.....						0	0.0				
7.7 Totals.....	52,123	0	0	0	517,172	569,295	0.9	5,362,564	7.8	569,295	0
8. Credit Tenant Loans, Schedules D & DA (Group 8)											
8.1 Issuer Obligations.....						0	0.0				
8.2 Totals.....	0	0	0	0	0	0	0.0	0		0	0
9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9)											
9.1 Issuer Obligations.....						0	0.0				
9.2 Single Class Mortgage-Backed/Asset-Backed Securities.....						0	0.0				
MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES:											
9.3 Defined.....						0	0.0				
9.4 Other.....						0	0.0				
MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ ASSET-BACKED SECURITIES:											
9.5 Defined.....						0	0.0				
9.6 Other.....						0	0.0				
9.7 Totals.....	0	0	0	0	0	0	0.0	0		0	0

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 10.7	8 Total from Column 6 Prior Year	9 % from Col. 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
10. Total Bonds Current Year											
10.1 Issuer Obligations.....	59,464,945	0	0	0	517,172	59,982,117	100.0	XXX	XXX	59,982,117	0
10.2 Single Class Mortgage-Backed/Asset-Backed Securities.....	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.3 Multi-Class Residential Mortgage-Backed Securities:											
10.3.1 Defined.....	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.3.2 Other.....	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.4 Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities:											
10.4.1 Defined.....	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.4.2 Other.....	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.5 Totals.....	59,464,945	0	0	0	517,172	59,982,117	100.0	XXX	XXX	59,982,117	0
10.6 Line 10.7 as a % of Col. 6.....	99.1	0.0	0.0	0.0	0.9	100.0	XXX	XXX	XXX	100.0	0.0
11. Total Bonds Prior Year											
11.1 Issuer Obligations.....	54,914,466	1,035,740	0	0	12,895,618	XXX	XXX	59,845,824	100.0	59,845,824	0
11.2 Single Class Mortgage-Backed/Asset-Backed Securities.....	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.3 Multi-Class Residential Mortgage-Backed Securities:											
11.3.1 Defined.....	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.3.2 Other.....	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.4 Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities:											
11.4.1 Defined.....	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.4.2 Other.....	0	0	0	0	0	XXX	XXX	0	0.0	0	0
11.5 Totals.....	54,914,466	1,035,740	0	0	12,895,618	XXX	XXX	59,845,824	100.0	59,845,824	0
11.6 Line 11.7 as a % of Col. 8.....	79.8	1.5	0.0	0.0	18.7	XXX	XXX	100.0	XXX	100.0	0.0
12. Total Publicly Traded Bonds											
12.1 Issuer Obligations.....	59,464,945	0	0	0	517,172	59,982,117	100.0	59,845,824	100.0	59,982,117	0
12.2 Single Class Mortgage-Backed/Asset-Backed Securities.....	0	0	0	0	0	0	0.0	0	0.0	0	0
12.3 Multi-Class Residential Mortgage-Backed Securities:											
12.3.1 Defined.....	0	0	0	0	0	0	0.0	0	0.0	0	0
12.3.2 Other.....	0	0	0	0	0	0	0.0	0	0.0	0	0
12.4 Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities:											
12.4.1 Defined.....	0	0	0	0	0	0	0.0	0	0.0	0	0
12.4.2 Other.....	0	0	0	0	0	0	0.0	0	0.0	0	0
12.5 Totals.....	59,464,945	0	0	0	517,172	59,982,117	100.0	59,845,824	100.0	59,982,117	0
12.6 Line 12.7 as a % of Col. 6.....	99.1	0.0	0.0	0.0	0.9	100.0	XXX	XXX	XXX	100.0	0.0
12.7 Line 12.7 as a % of Line 10.7, Col. 5, Section 10.....	99.1	0.0	0.0	0.0	0.9	100.0	XXX	XXX	XXX	100.0	0.0
13. Total Privately Placed Bonds											
13.1 Issuer Obligations.....	0	0	0	0	0	0	0.0	0	0.0	0	0
13.2 Single Class Mortgage-Backed/Asset-Backed Securities.....	0	0	0	0	0	0	0.0	0	0.0	0	0
13.3 Multi-Class Residential Mortgage-Backed Securities:											
13.3.1 Defined.....	0	0	0	0	0	0	0.0	0	0.0	0	0
13.3.2 Other.....	0	0	0	0	0	0	0.0	0	0.0	0	0
13.4 Multi-Class Commercial Mortgage-Backed/Asset-Backed Securities:											
13.4.1 Defined.....	0	0	0	0	0	0	0.0	0	0.0	0	0
13.4.2 Other.....	0	0	0	0	0	0	0.0	0	0.0	0	0
13.5 Totals.....	0	0	0	0	0	0	0.0	0	0.0	0	0
13.6 Line 13.7 as a % of Col. 6.....	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	0.0	0.0
13.7 Line 13.7 as a % of Line 10.7, Col. 5, Section 10.....	0.0	0.0	0.0	0.0	0.0	0.0	XXX	XXX	XXX	0.0	0.0

Southern Family Insurance Company

SCHEDULE DA - PART 2 - VERIFICATION BETWEEN YEARS

Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets (a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value December 31 of prior year.....	53,648,368	53,648,368			
2. Cost of short-term investments acquired.....	422,217,845	422,217,845			
3. Increase (decrease) by adjustment.....	0				
4. Increase (decrease) by foreign exchange adjustment.....	0				
5. Total profit (loss) on disposal of short-term investments.....	0				
6. Consideration received on disposal of short-term investments.....	416,401,269	416,401,269			
7. Book/adjusted carrying value, current year.....	59,464,945	59,464,945	0	0	0
8. Total valuation allowance.....	0				
9. Subtotal (Lines 7 plus 8).....	59,464,945	59,464,945	0	0	0
10. Total nonadmitted amounts.....	0				
11. Statement value (Lines 9 minus 10).....	59,464,945	59,464,945	0	0	0
12. Income collected during year.....	797,503	797,503			
13. Income earned during year.....	881,626	881,626			

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment.....

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

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

**Sch. DB-Pt. C-Verification Between Years
NONE**

**Sch. DB-Pt. D-Verification Between Years
NONE**

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

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

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

**Sch. F-Pt. 1
NONE**

**Sch. F-Pt. 2
NONE**

SCHEDULE F - PART 3

Ceded Reinsurance as of December 31, Current Year (000 Omitted)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Federal ID Number	NAIC Company Code	Name of Reinsurer	Domiciliary Jurisdiction	Reinsurance Contracts Ceding 75% or More of Direct Premiums Written	Reinsurance Premiums Ceded	Paid Losses	Paid LAE	Known Case Loss Reserves	Known Case LAE Reserves	IBNR Loss Reserves	IBNR LAE Reserves	Unearned Premiums	Contingent Commissions	Coin 7 thru 14 Totals	Ceded Balances Payable	Other Amounts Due to Reinsurers	Net Amount Recoverable From Reinsurers Col. 15-17	Funds Held By Company Under Reinsurance Treaties
Authorized																		
Other U.S. Unaffiliated Insurers																		
13-4324725	10227	American Re-Insurance Company	DE	2	2,064	289	50	795	24	288	51	482		1,959	256		1,703	
06-1430254	10348	Arch Reinsurance Company	NE		20	1,165		4,547	289	174	31	2,056		8,380	703		7,677	
51-0434766	20370	Axis Reinsurance Company	NY		5,154	429	15	314	11	127	22			572	87		485	
06-1323038	39136	Conventum Reinsurance North America, Inc.	CT		83	4,670		20,002	1,262	1,162	205	9,669		37,354	3,223		34,131	
22-2005057	26921	Everest Reinsurance Company	DE	2	27,706	80	4	70	6	89	16			37,354	3,223		34,131	
05-0316605	21482	Factory Mutual Insurance Company	RI	2	1,648	80		261						354	32		322	
36-2867627	22969	GE Reinsurance Corporation	IL	2	1,186													
13-2572594	86258	General & Cologne Life Re of America	CT		2,379													
38-0855585	22012	GMAC Re (US) of Motors Insurance Corporation	MI		238			44	4	9	1	161		204	51		153	
AA-128033		Lloyd's Underwriter Syndicate No. 0033 HIS	UK		191	51	3	429	22					505	59		446	
AA-128570		Lloyd's Underwriter Syndicate No. 0670 ATR	UK		135			387	20					417	49		368	
AA-128658		Lloyd's Underwriter Syndicate No. 0658 GSC	UK		112	210	11	129						356	40		316	
AA-128603		Lloyd's Underwriter Syndicate No. 2003 SIC	UK		107			387	20					417	48		369	
AA-1128121		Lloyd's Underwriter Syndicate No. 2007 AML	UK		1321	525	26	4,371	219					5,141	599		4,562	
36-3347420	23376	Lloyd's Underwriter Syndicate No. 2121 RY	UK		48			719	9					188	22		166	
36-3347420	23376	Maple Reinsurance Corporation	UK		251	9		39	4	7	1	141		205	45		161	
47-0969507	23680	Odyssey America Reinsurance Corporation	CT		18,334	1,620	278	22,025	1,449	143	25	8,712		34,802	2,935		31,867	
52-1952935	10367	Platinum Underwriters Reinsurance, Inc.	MD		2,483	81	40	345	32	85	12	1,253		1,828	419		1,409	
13-1675535	25364	Swiss Re Underwriters Agency (US)	NY	2	1,491	105	26	221	20	21	7	803		1,223	255		968	
13-1675535	25364	Swiss Re Underwriters Agency (US)	NY	2	2,860	75	30	286	28	122	22			1,366	317		1,049	
13-2916573	42439	The Toa Reinsurance Company of America	DE		107			143						196	19		177	
13-5516275	19453	Transatlantic Reinsurance Company	NY		9,766	1,967	173	8,351	509	731	129	3,924		15,784	1,594		14,190	
13-296712	20583	XL Reinsurance America, Inc.	NY		100													
0599998	Total Authorized	Other U.S. Unaffiliated Insurers (Under \$100,000)			78,407	10,688	1,078	64,034	3,936	2,968	524	28,908		112,346	10,915		101,431	
Pools-Mandatory Pools																		
AA-3897370		Florida Hurricane Catastrophe Fund	FL		16,343	(2,960)		335,106	16,755			6,814		355,715			355,715	
0899999	Total Authorized	Mandatory Pools			16,343	(2,960)		335,106	16,755			6,814		355,715			355,715	
Pools-Voluntary Pools																		
0799999	Total Authorized	National Flood Insurance Program	NA	2	23,860							12,709		12,709			12,709	
0999999	Total Authorized	Voluntary Pools			118,620	7,938	1,078	399,140	20,691	2,968	524	48,431		480,770	10,915		469,855	
Unauthorized																		
Other Non-U.S. Insurers																		
AA-3190770		Ace Tempest Reinsurance Co Limited	BM		3,358	788	39	18,082	904					19,813	1,413		18,400	
AA-3194126		Arch Reinsurance Ltd.	BM		763	41		88		16	3	321			87		400	
AA-3200336		AXA Reassurances	FR		142	525	26	324	15					891	97		794	
AA-3194139		Axis Specialty Ltd.	BM			2		14		17	3			40			33	
AA-3194122		DeVinci Reinsurance	BM		2,160	315	16	9,234	462					10,027	(513)		10,540	
AA-3194130		Endurance Specialty Ins Ltd.	BM		260	26	13	110	10	21	4	402		586	109		477	
AA-3194129		Monterey Reins Ltd.	BM		2,237	153	39	331	59	62	11	1,205		1,832	326		1,506	
AA-3194196		Quanta Reinsurance U.S. Ltd.	BM		1,487	255	26	1,039	31	76	14	483		1,954	171		1,783	
AA-3193039		Reinsurance Reinsurance U.S. Ltd.	BM		2,273	735	37	9,463	475					10,740	(482)		11,222	
AA-3193051		Rosemont Reins Ltd.	BM		885	81	16	133	12	25	4	462		733	153		580	
AA-3190757		XL Re Ltd.	BM		898	(59)		133	12	25	4	462		613	130		483	
1799999	Total Unauthorized	Other Non-U.S. Insurers			15,455	2,842	239	38,881	1,992	244	43	3,375		47,716	1,498		46,218	
1899999	Total Unauthorized				15,455	2,842	239	38,881	1,992	244	43	3,375		47,716	1,498		46,218	
1999999	Total Authorized and Unauthorized				134,076	10,780	1,317	438,121	22,683	3,212	567	51,806		528,486	12,413		516,073	

SCHEDULE F - PART 3

Ceded Reinsurance as of December 31, Current Year (000 Omitted)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Federal ID Number	NAIC Company Code	Name of Reinsurer	Domiciliary Jurisdiction	Reinsurance Contracts Ceding 75% or More of Direct Premiums Written	Reinsurance Premiums Ceded	Paid Losses	Paid LAE	Known Case Loss Reserves	Known Case LAE Reserves	IBNR Loss Reserves	IBNR LAE Reserves	Unearned Premiums	Contingent Commissions	Cols. 7 thru 14 Totals	Ceded Balances Payable	Other Amounts Due to Reinsurers	Net Amount Recoverable From Reinsurers (Col. 15-16-17)	Funds Held By Company Under Reinsurance Treaties
9999999		Totals		134,076	134,076	10,780	1,317	438,121	22,693	3,272	567	51,806	0	528,486	12,413	0	516,073	10,523

Note A: Report the five largest provisional commission rates included in the cedant's reinsurance treaties. The commission rate to be reported is by contract with ceded premium in excess of \$50,000.

1	2	3
Name of Reinsurer	Commission Rate	Ceded Premium
(1) Factory Mutual Insurance Co.	30.0	1,648
(2) Platinum Underwriters Reinsurance Corporation	24.0	2,625
(3) Swiss Re Underwriters Agency (US)	24.0	1,819
(4) Swiss Reinsurance America Corporation	24.0	1,819
(5) Rosemont Reinsurance Ltd.	24.0	371

Note B: Report the five largest reinsurance recoverables reported in Column 15, due from any one reinsurer (based on the total recoverables, Line 9999999, Column 15), the amount of ceded premium, and indicate whether the recoverables are due from an affiliated insurer.

1	2	3	4
Name of Reinsurer	Total Recoverables	Ceded Premiums	Affiliated
(1) Florida Hurricane Catastrophe Fund	365,715	18,353	Yes
(2) Everest Reinsurance Co.	37,354	27,706	Yes
(3) Odyssey America Reinsurance Corp.	34,802	19,354	Yes
(4) Axa Temppest Reinsurance Co Limited	19,813	3,658	Yes
(5) Transatlantic Reinsurance Company	15,784	9,766	Yes

Southern Family Insurance Company

SCHEDULE F - PART 4

Aging of Ceded Reinsurance as of December 31, Current Year (000 Omitted)

Reinsurance Recoverable on Paid Losses and Paid Loss Adjustment Expenses											
1 Federal ID Number	2 NAIC Company Code	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Current					11 Total Due Cols. 5 + 10	12 Percentage Overdue Col. 10 / Col. 11	13 Percentage more than 120 Days Overdue Col. 9 / Col. 11
				6 1 to 29 Days	7 30 to 90 Days	8 91 to 120 Days	9 Over 120 Days	10 Total Overdue Cols. 6 + 7 + 8 + 9			
Authorized											
Other U.S. Unaffiliated Insurers											
13-4921725	10227	American Re-insurance Company	DE	319					319	0.0	0.0
51-0434766	20370	Axis Reinsurance Company	NY	1,243					1,243	0.0	0.0
06-1320338	39136	Conventum Reinsurance North America, Inc.	CT	98					98	0.0	0.0
48-0927045	39845	Employers Reinsurance Corporation	MO	8					8	0.0	0.0
22-2005057	28921	Everest Reinsurance Company	DE	5,054					5,054	0.0	0.0
05-0316605	21462	Factory Mutual Insurance Company	RI	84					84	0.0	0.0
38-0865585	22012	GAAC Re (US) Ohio Motors Insurance Corporation	MI	(15)					(15)	0.0	0.0
AA-1126003		Lloyd's Underwriter Syndicate No. 0033 H.S.	UK	54					54	0.0	0.0
AA-1126968		Lloyd's Underwriter Syndicate No. 0958 GSC	UK	221					221	0.0	0.0
AA-1128001		Lloyd's Underwriter Syndicate No. 2007 AML	UK	551					551	0.0	0.0
35-3347420	23876	Maple Reinsurance Corporation	NJ	14					14	0.0	0.0
47-0986507	23680	Oceyssey America Reinsurance Corporation	CA	1,848					1,848	0.0	0.0
52-1952955	10357	Platinum Underwriters Reinsurance, Inc.	MD	121					121	0.0	0.0
13-1675535	25364	Swiss Re Underwriters Agency (US)	NY	131					131	0.0	0.0
13-1675535	25364	Swiss Reinsurance America Corporation	NY	105					105	0.0	0.0
13-5616275	19453	Transatlantic Reinsurance Company	NY	2,140					2,140	0.0	0.0
0599999		Total Authorized - Other U.S. Unaffiliated Insurers		11,976	0	0	0	0	11,976	0.0	0.0
Pools-Mandatory Pools											
AA-3991310		Florida Hurricane Catastrophe Fund	FL	(2,960)					(2,960)	0.0	0.0
0599999		Total Authorized - Pools - Mandatory Pools		(2,960)	0	0	0	0	(2,960)	0.0	0.0
0599999		Total Authorized		9,016	0	0	0	0	9,016	0.0	0.0
Unauthorized											
Other Non-U.S. Insurers											
AA-3190770		Ace Tempast Reinsurance Co Limited	BM	827					827	0.0	0.0
AA-3194126		Arch Reinsurance Ltd	BM	51					51	0.0	0.0
AA-3200355		AXA Reassurances	FR	551					551	0.0	0.0
AA-3194139		Axis Specialty Ltd	BM	3					3	0.0	0.0
AA-3194122		DaVinci Reinsurance	BM	331					331	0.0	0.0
AA-3194130		Endurance Specialty Insurance Ltd	BM	39					39	0.0	0.0
AA-3194129		Monpellier Reinsurance Ltd	BM	192					192	0.0	0.0
AA-3194198		Quanta Reinsurance U.S. Ltd	BM	281					281	0.0	0.0
AA-3190339		Renaissance Reinsurance Ltd	BM	772					772	0.0	0.0
AA-3190551		Rosemont Reinsurance Ltd	BM	77					77	0.0	0.0
AA-3190757		XL Re Ltd	BM	(43)					(43)	0.0	0.0
1799999		Total Unauthorized - Other Non-U.S. Insurers		3,081	0	0	0	0	3,081	0.0	0.0
1899999		Total Unauthorized		3,081	0	0	0	0	3,081	0.0	0.0
1999999		Total Authorized and Unauthorized		12,097	0	0	0	0	12,097	0.0	0.0
9999999		Totals		12,097	0	0	0	0	12,097	0.0	0.0

SCHEDULE F - PART 5

Provision for Unauthorized Reinsurance as of December 31, Current Year (000 Omitted)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Federal ID Number	NAIC Company Code	Name of Reinsurer	Domiciliary Jurisdiction	Reinsurance Recoverable on all items Schedule F, Part 3, Col. 15	Funds Held By Company Under Reinsurance Treaties	Letters of Credit	Ceded Balances Payable	Miscellaneous Balances	Other Allowed Offset Items	Sum of Columns 6 thru 10 but not in excess of Column 5	Subtotal Col. 5 minus Col. 11	Recoverable Paid Losses & LAE Expenses Over 90 Days Past Due not in Dispute	20% of Amount in Col. 13	Smaller of Col. 11 or Col. 14	Smaller of Col. 11 or 20% of Amount in Col. 13 Included in Col. 5	Total Provision for Unauthorized Reinsurance Smaller of Col. 16 or Col. 15 + 16
Other Non-U.S. Insurers																
AA-3190770...		Ace Tempest Reinsurance Co Limited...	BM	19,813		24,454	1,413			19,813	0	0	0	0	0	0
AA-3194126...		Arch Reinsurance Ltd	BM	487		460	87			487	0	0	0	0	0	0
AA-3220035...		AXA Reassurances	FR	831	1	793	97			831	0	0	0	0	0	0
AA-3194139...		Axis Specialty Ltd	BM	40		49	7			40	0	0	0	0	0	0
AA-3194122...		Davinci Reinsurance	BM	10,027	5,171	6,114	(613)			10,027	0	0	0	0	0	0
AA-3194130...		Endurance Specialty Ins Ltd	BM	586		550	109			586	0	0	0	0	0	0
AA-3194129...		Montpelier Reins Ltd	BM	1,832		1,736	326			1,832	0	0	0	0	0	0
AA-3194198...		Quanta Reinsurance U.S. Ltd	BM	1,954		1,783	171			1,954	0	0	0	0	0	0
AA-3190339...		Renaissance Reinsurance Ltd	BM	10,740	5,351	5,871	(482)			10,740	0	0	0	0	0	0
AA-3190551...		Rosemont Reins Ltd	BM	733		667	153			733	0	0	0	0	0	0
AA-3190757...		XL Re Ltd	BM	613		483	130			613	0	0	0	0	0	0
0995999		Total Other Non-U.S. Insurers		47,716	10,523	42,950	1,498	0	0	47,716	0	0	0	0	0	0
9995999		Total Affiliates and Others		47,716	10,523	42,950	1,498	0	0	47,716	0	0	0	0	0	0
9995999		Totals		47,716	10,523	42,950	1,498	0	0	47,716	0	0	0	0	0	0

1. Amounts in dispute totaling \$.....0 are included in Column 5.

2. Amounts in dispute totaling \$.....0 are excluded from Column 13.

Sch. F-Pt. 6
NONE

Sch. F-Pt. 7
NONE

SCHEDULE F - PART 8

Restatement of Balance Sheet to Identify Net Credit for Reinsurance

	1 As Reported (Net of Ceded)	2 Restatement Adjustments	3 Restated (Gross of Ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 10).....	39,528,240		39,528,240
2. Premiums and considerations (Line 13).....	6,117,293		6,117,293
3. Reinsurance recoverable on loss and loss adjustment expense payments (Line 14.1).....	12,098,327	(12,098,327)	0
4. Funds held by or deposited with reinsured companies (Line 14.2).....			0
5. Other assets.....	14,040,002	2,781,775	16,821,777
6. Net amount recoverable from reinsurers.....		502,769,264	502,769,264
7. Totals (Line 26).....	71,783,862	493,452,712	565,236,574
LIABILITIES (Page 3)			
8. Losses and loss adjustment expenses (Lines 1 through 3).....	24,741,120	464,582,664	489,323,784
9. Taxes, expenses, and other obligations (Lines 4 through 8).....	1,149,282		1,149,282
10. Unearned premiums (Line 9).....	16,936,944	51,806,409	68,743,353
11. Advance premiums (Line 10).....			0
12. Dividends declared and unpaid (Line 11.1 and 11.2).....			0
13. Ceded reinsurance premiums payable (net of ceding commissions) (Line 12).....	12,413,173	(12,413,173)	0
14. Funds held by company under reinsurance treaties (Line 13).....	10,523,188	(10,523,188)	0
15. Amounts withheld or retained by company for account of others (Line 14).....	118,961		118,961
16. Provision for reinsurance (Line 16).....			0
17. Other liabilities (Lines 15 and 17 through 23).....	1,389,161		1,389,161
18. Total liabilities excluding protected call business (Line 26 minus Line 25).....	67,271,829	493,452,712	560,724,541
19. Surplus as regards policyholders (Line 35).....	4,512,033	XXX	4,512,033
20. Totals (Line 36).....	71,783,862	493,452,712	565,236,574

NOTE: Is the restatement of this exhibit the result of grossing up balances ceded to affiliates under 100 percent reinsurance or pooling arrangements?..Yes [] No [X]

If yes, give full explanation:

Sch. H-Pt. 1
NONE

Sch. H-Pt. 2
NONE

Sch. H-Pt. 3
NONE

Sch. H-Pt. 4
NONE

Sch. H-Pt. 5
NONE

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 Number of Claims Reported- Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX								0	XXX
2. 1996.....	5,653	4,341	1,312	1,281	1,025	137	110	108	86	6	305	XXX
3. 1997.....	44,491	34,428	10,063	12,388	9,880	1,812	1,287	1,038	827	30	3,044	XXX
4. 1998.....	51,194	31,496	19,698	14,318	8,602	599	361	2,955	1,727	41	7,182	XXX
5. 1999.....	48,137	27,665	20,472	14,381	7,914	721	381	2,437	1,361	48	7,883	XXX
6. 2000.....	47,190	25,180	22,030	15,807	8,214	452	226	2,560	1,281	100	8,098	XXX
7. 2001.....	58,914	33,191	25,723	18,393	9,807	1,019	496	2,807	1,500	167	10,416	XXX
8. 2002.....	82,612	46,673	35,939	19,624	9,179	687	232	2,731	1,347	50	12,264	XXX
9. 2003.....	141,730	80,027	61,703	14,409	7,517	135	70	2,088	1,104	65	7,921	XXX
10. 2004.....	171,759	95,780	75,999	345,383	182,727	323	164	15,812	9,254	57	169,373	XXX
11. 2005.....	162,860	127,174	35,686	30,803	22,697	1		2,179	1,574	24	8,812	XXX
12. Totals.....	XXX	XXX	XXX	486,887	267,562	5,666	3,327	34,695	20,061	588	236,298	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding- Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....												0	XXX
2. 1996.....												0	XXX
3. 1997.....	16	13			7	6						4	XXX
4. 1998.....	5	3										2	XXX
5. 1999.....	30	15			8	4						19	XXX
6. 2000.....	141	71			11	6						75	XXX
7. 2001.....	37	20	475	242	12	8	80	41	5	2		298	XXX
8. 2002.....	266	132	464	248	39	17	70	38	16	8		432	XXX
9. 2003.....	716	423	632	304	46	27	70	40	35	19		586	XXX
10. 2004.....	50,767	42,043	1,542	810	83	40	86	49	2,155	2,021		9,870	XXX
11. 2005.....	407,776	395,401	2,408	1,607					21,405	20,827		13,854	XXX
12. Totals.....	459,774	438,121	5,421	3,211	206	106	306	188	23,616	22,977	0	24,740	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX			XXX	0	0
2. 1996.....	1,526	1,221	305	27.0	28.1	23.2				0	0
3. 1997.....	15,061	12,013	3,048	33.9	34.9	30.3				3	1
4. 1998.....	17,877	10,693	7,184	34.9	34.0	36.5				2	0
5. 1999.....	17,577	9,675	7,902	36.5	35.0	38.6				15	4
6. 2000.....	18,971	9,798	9,173	40.2	38.9	41.6				70	5
7. 2001.....	22,828	12,114	10,714	38.7	36.5	41.7				250	48
8. 2002.....	23,897	11,201	12,696	28.9	24.0	35.3				370	62
9. 2003.....	18,011	9,504	8,507	12.7	11.9	13.8				521	65
10. 2004.....	416,151	237,108	179,043	242.3	247.6	235.6				9,456	214
11. 2005.....	464,672	442,206	22,466	285.3	347.7	63.0				13,176	478
12. Totals.....	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	23,863	877

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$'000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	One Year	Two Year
1. Prior.....											0	0
2. 1996.....	726	296	300	283	285	283	283	283	283	283	0	0
3. 1997.....	XXX	2,841	2,801	2,807	2,794	2,808	2,814	2,832	2,834	2,837	3	5
4. 1998.....	XXX	XXX	5,572	5,926	5,785	5,820	5,954	5,953	5,955	5,956	1	3
5. 1999.....	XXX	XXX	XXX	7,378	6,824	6,658	6,874	6,899	6,828	6,826	(2)	(73)
6. 2000.....	XXX	XXX	XXX	XXX	7,153	7,550	7,831	7,998	7,888	7,894	26	(105)
7. 2001.....	XXX	XXX	XXX	XXX	XXX	7,639	8,229	8,448	8,711	9,404	893	956
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	8,946	12,183	11,656	11,304	(352)	(879)
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	8,648	7,610	7,527	(83)	(1,122)
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	149,868	172,351	22,483	XXX
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	21,383	XXX	XXX
12. Totals.....											22,769	(1,215)

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
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005		
1. Prior.....	000										XXX	XXX
2. 1996.....	70	277	283	283	283	283	283	283	283	283	XXX	XXX
3. 1997.....	XXX	2,082	2,610	2,750	2,782	2,791	2,804	2,827	2,832	2,833	XXX	XXX
4. 1998.....	XXX	XXX	4,057	5,320	5,607	5,723	5,844	5,940	5,949	5,954	XXX	XXX
5. 1999.....	XXX	XXX	XXX	4,838	6,226	6,427	6,570	6,721	6,743	6,807	XXX	XXX
6. 2000.....	XXX	XXX	XXX	XXX	5,521	7,088	7,421	7,603	7,752	7,819	XXX	XXX
7. 2001.....	XXX	XXX	XXX	XXX	XXX	5,554	7,275	7,883	8,338	9,109	XXX	XXX
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	6,716	9,228	10,808	10,880	XXX	XXX
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,405	6,723	6,957	XXX	XXX
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	81,031	162,815	XXX	XXX
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	8,207	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
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1. Prior.....										
2. 1996.....	447	5								
3. 1997.....	XXX	297	122	20		6				
4. 1998.....	XXX	XXX	581	254	131	18	66			
5. 1999.....	XXX	XXX	XXX	845	360	113	197	57		
6. 2000.....	XXX	XXX	XXX	XXX	715	365	288	190		
7. 2001.....	XXX	XXX	XXX	XXX	XXX	918	713	198	57	272
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	1,318	2,184	457	248
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,907	701	258
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,674	769
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	801

SCHEDULE P - PART 1A - HOMEOWNERS/FARMOWNERS

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported- Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)		
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded				
1. Prior.....	XXX.....	XXX.....	XXX.....									0.....	XXX.....
2. 1996.....	5,653.....	4,341.....	1,312.....	1,281.....	1,025.....	137.....	110.....	108.....	86.....	6.....	305.....	511.....	
3. 1997.....	42,816.....	33,298.....	9,518.....	12,193.....	9,754.....	1,601.....	1,280.....	1,033.....	824.....	30.....	2,989.....	4,780.....	
4. 1998.....	45,353.....	27,594.....	17,759.....	14,080.....	8,437.....	571.....	343.....	2,910.....	1,701.....	41.....	7,080.....	5,621.....	
5. 1999.....	40,804.....	23,225.....	17,579.....	13,477.....	7,404.....	620.....	330.....	2,289.....	1,265.....	48.....	7,387.....	7,311.....	
6. 2000.....	36,624.....	19,364.....	17,260.....	14,179.....	7,082.....	375.....	188.....	2,330.....	1,165.....	95.....	8,449.....	4,781.....	
7. 2001.....	38,350.....	20,892.....	17,458.....	14,987.....	7,852.....	910.....	435.....	2,454.....	1,300.....	161.....	8,764.....	5,613.....	
8. 2002.....	42,815.....	23,417.....	19,398.....	18,019.....	8,346.....	620.....	210.....	2,524.....	1,242.....	46.....	11,365.....	5,718.....	
9. 2003.....	43,801.....	25,244.....	18,557.....	12,883.....	5,807.....	134.....	70.....	1,841.....	999.....	68.....	6,982.....	4,119.....	
10. 2004.....	33,460.....	20,643.....	12,817.....	116,053.....	72,277.....	204.....	122.....	7,957.....	4,988.....	31.....	46,827.....	12,732.....	
11. 2005.....	30,156.....	21,926.....	8,230.....	9,930.....	10,307.....	1.....		1,072.....	917.....	10.....	(221).....	5,340.....	
12. Totals.....	XXX.....	XXX.....	XXX.....	227,082.....	139,291.....	5,173.....	3,088.....	24,498.....	14,487.....	534.....	99,867.....	XXX.....	

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed	
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded				
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded						
1. Prior.....													0	
2. 1996.....													0	
3. 1997.....	16	13			7	6							4	1
4. 1998.....	5	3											2	1
5. 1999.....	30	15			8	4							19	2
6. 2000.....	108	54			1	1							54	4
7. 2001.....	27	15	467	237			80	41	3	1			283	3
8. 2002.....	261	119	422	230	19	7	70	38	7	4			381	12
9. 2003.....	681	408	477	276	38	23	70	40	21	13			527	17
10. 2004.....	5,481	5,431	992	595	48	28	75	45	361	401			(543)	359
11. 2005.....	18,701	19,739	1,288	915					1,365	1,301			(591)	2,501
12. Totals.....	25,310	28,797	3,656	2,253	121	69	295	164	1,757	1,720	0		136	2,900

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter- Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX			XXX	0	0
2. 1996.....	1,526	1,221	305	27.0	28.1	23.2				0	0
3. 1997.....	14,850	11,877	2,973	34.7	35.7	31.2				3	1
4. 1998.....	17,546	10,484	7,062	38.7	38.0	39.8				2	0
5. 1999.....	16,404	9,018	7,386	40.2	38.8	42.0				15	4
6. 2000.....	16,993	8,490	8,503	46.4	43.8	49.3				54	0
7. 2001.....	18,928	9,881	9,047	49.4	47.3	51.8				242	41
8. 2002.....	21,942	10,196	11,746	51.2	43.5	80.6				334	47
9. 2003.....	16,145	8,636	7,509	38.9	34.2	40.5				474	53
10. 2004.....	131,171	84,887	46,284	392.0	411.2	381.1				(563)	10
11. 2005.....	32,367	33,179	(812)	107.3	151.3	(8.9)				(655)	64
12. Totals.....	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	(84)	220

Sch. P-Pt. 1B
NONE

Sch. P-Pt. 1C
NONE

Sch. P-Pt. 1D
NONE

SCHEDULE P - PART 1E - COMMERCIAL MULTIPLE PERIL

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported- Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX								0	XXX
2. 1996.....			0								0	
3. 1997.....	3	2	1								0	
4. 1998.....	1,232	837	395	106	69	18	11	19	10		63	13
5. 1999.....	3,174	1,877	1,297	134	76	73	37	50	30		114	64
6. 2000.....	5,371	2,888	2,483	965	812	48	24	83	43	3	237	107
7. 2001.....	6,360	3,728	2,632	2,321	1,371	61	35	84	48	5	1,012	170
8. 2002.....	2,286	1,255	1,031	510	251	6	3	36	18		280	96
9. 2003.....	492	438	54	144	70			8	4		78	26
10. 2004.....	63	26	38								0	1
11. 2005.....			0								0	
12. Totals.....	XXX	XXX	XXX	4,200	2,649	206	110	280	163	8	1,774	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding- Direct and Assumed
1. Prior.....												0	
2. 1996.....												0	
3. 1997.....												0	
4. 1998.....												0	
5. 1999.....												0	1
6. 2000.....	25	13			3	2						13	1
7. 2001.....	5	2			3	1						5	1
8. 2002.....	3	2	4	2					2	1		4	2
9. 2003.....			17	9					3	1		10	
10. 2004.....			11	4					2	1		8	
11. 2005.....												0	
12. Totals...	33	17	32	15	6	3	0	0	7	3	0	40	5

	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			XXX	0	0
2. 1996.....	0	0	0	0.0	0.0	0.0				0	0
3. 1997.....	0	0	0	0.0	0.0	0.0				0	0
4. 1998.....	143	90	53	11.6	10.8	13.4				0	0
5. 1999.....	257	143	114	8.1	7.6	8.8				0	0
6. 2000.....	1,144	894	250	21.3	31.0	10.1				12	1
7. 2001.....	2,474	1,457	1,017	38.9	39.1	38.6				3	2
8. 2002.....	561	277	284	24.5	22.1	27.5				3	1
9. 2003.....	172	84	88	35.0	19.2	163.0				8	2
10. 2004.....	13	5	8	20.6	20.0	21.1				7	1
11. 2005.....	0	0	0	0.0	0.0	0.0				0	0
12. Totals.....	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	33	7

Sch. P-Pt. 1F-Sn. 1
NONE

Sch. P-Pt. 1F-Sn. 2
NONE

SCHEDULE P - PART 1G - SPECIAL LIABILITY
(OCEAN MARINE, AIRCRAFT (ALL PERILS), BOILER AND MACHINERY)
(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments						10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported- Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments				
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX								0	XXX
2. 1996.....			0								0	XXX
3. 1997.....			0								0	XXX
4. 1998.....			0								0	XXX
5. 1999.....			0								0	XXX
6. 2000.....			0								0	XXX
7. 2001.....			0								0	XXX
8. 2002.....			0								0	XXX
9. 2003.....	203	203	0								0	XXX
10. 2004.....	2,182	2,182	0	201	201			4	4		0	XXX
11. 2005.....	2,190	2,190	0	106	106			4	4		0	XXX
12. Totals.....	XXX	XXX	XXX	307	307	0	0	8	8	0	0	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				Salvage and Subrogation Anticipated	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								
1. Prior.....													0			
2. 1996.....													0			
3. 1997.....													0			
4. 1998.....													0			
5. 1999.....													0			
6. 2000.....													0			
7. 2001.....													0			
8. 2002.....													0			
9. 2003.....													0			
10. 2004.....	10	10	4	4					1	1			0	1		
11. 2005.....	60	60	85	85					21	21			0	8		
12. Totals.....	70	70	89	89	0	0	0	0	22	22	0	0	0	9		

	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			XXX	0	0
2. 1996.....	0	0	0	0.0	0.0	0.0				0	0
3. 1997.....	0	0	0	0.0	0.0	0.0				0	0
4. 1998.....	0	0	0	0.0	0.0	0.0				0	0
5. 1999.....	0	0	0	0.0	0.0	0.0				0	0
6. 2000.....	0	0	0	0.0	0.0	0.0				0	0
7. 2001.....	0	0	0	0.0	0.0	0.0				0	0
8. 2002.....	0	0	0	0.0	0.0	0.0				0	0
9. 2003.....	0	0	0	0.0	0.0	0.0				0	0
10. 2004.....	220	220	0	10.1	10.1	0.0				0	0
11. 2005.....	276	276	0	12.6	12.6	0.0				0	0
12. Totals.....	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	0	0

SCHEDULE P - PART 1H - SECTION 1 - OTHER LIABILITY - OCCURRENCE

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported- Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX.....	XXX.....	XXX.....								0	XXX.....
2. 1996.....			0								0	
3. 1997.....			0								0	
4. 1998.....	1.....		1								0	
5. 1999.....	2.....	1.....	1								0	
6. 2000.....	17.....	11.....	6								0	
7. 2001.....	42.....	37.....	5								0	
8. 2002.....	106.....	102.....	4								0	
9. 2003.....	218.....	209.....	9								0	
10. 2004.....	314.....	302.....	12								0	
11. 2005.....	342.....	328.....	14								0	1
12. Totals.....	XXX.....	XXX.....	XXX.....	0	0	0	0	0	0	0	0	XXX.....

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....													0
2. 1996.....													0
3. 1997.....													0
4. 1998.....													0
5. 1999.....													0
6. 2000.....													0
7. 2001.....													0
8. 2002.....													0
9. 2003.....													0
10. 2004.....													0
11. 2005.....	500	475											25
12. Totals.....	500	475	0	0	0	0	0	0	0	0	0	0	25
													1

	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			XXX	0	0
2. 1996.....	0	0	0	0.0	0.0	0.0				0	0
3. 1997.....	0	0	0	0.0	0.0	0.0				0	0
4. 1998.....	0	0	0	0.0	0.0	0.0				0	0
5. 1999.....	0	0	0	0.0	0.0	0.0				0	0
6. 2000.....	0	0	0	0.0	0.0	0.0				0	0
7. 2001.....	0	0	0	0.0	0.0	0.0				0	0
8. 2002.....	0	0	0	0.0	0.0	0.0				0	0
9. 2003.....	0	0	0	0.0	0.0	0.0				0	0
10. 2004.....	0	0	0	0.0	0.0	0.0				0	0
11. 2005.....	500	475	25	146.2	144.8	178.6				25	0
12. Totals.....	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	25	0

SCHEDULE P - PART 1H - SECTION 2 - OTHER LIABILITY - CLAIMS-MADE

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported- Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX								0	XXX
2. 1996.....			0								0	
3. 1997.....			0								0	
4. 1998.....			0								0	
5. 1999.....			0								0	
6. 2000.....			0								0	
7. 2001.....			0								0	
8. 2002.....			0								0	
9. 2003.....			0								0	
10. 2004.....			0								0	
11. 2005.....			0								0	
12. Totals.....	XXX	XXX	XXX	0	0	0	0	0	0	0	0	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding- Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....												0	
2. 1996.....												0	
3. 1997.....												0	
4. 1998.....												0	
5. 1999.....												0	
6. 2000.....												0	
7. 2001.....												0	
8. 2002.....												0	
9. 2003.....												0	
10. 2004.....												0	
11. 2005.....												0	
12. Totals.....	0	0	0	0	0	0	0	0	0	0	0	0	

	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			XXX	0	0
2. 1996.....	0	0	0	0.0	0.0	0.0				0	0
3. 1997.....	0	0	0	0.0	0.0	0.0				0	0
4. 1998.....	0	0	0	0.0	0.0	0.0				0	0
5. 1999.....	0	0	0	0.0	0.0	0.0				0	0
6. 2000.....	0	0	0	0.0	0.0	0.0				0	0
7. 2001.....	0	0	0	0.0	0.0	0.0				0	0
8. 2002.....	0	0	0	0.0	0.0	0.0				0	0
9. 2003.....	0	0	0	0.0	0.0	0.0				0	0
10. 2004.....	0	0	0	0.0	0.0	0.0				0	0
11. 2005.....	0	0	0	0.0	0.0	0.0				0	0
12. Totals.....	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	0	0

**SCHEDULE P - PART 1I - SPECIAL PROPERTY (FIRE, ALLIED LINES, INLAND MARINE,
EARTHQUAKE, BURGLARY AND THEFT)**
(\$'000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported- Direct and Assumed
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	
	Direct and Assumed	Ceded	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.....	208	100	19	9	25	13	(1)	130	XXX.....
2. 2004.....	135,740	72,608	63,132	228,129	110,249	119	42	7,851	4,282	26	122,546	XXX.....
3. 2005.....	130,172	102,730	27,442	20,867	12,284			1,103	853	14	9,033	XXX.....
4. Totals.....	XXX.....	XXX.....	XXX.....	250,204	122,633	138	51	8,979	4,928	38	131,709	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	Salvage and Subrogation Anticipated	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			
1. Prior.....	70	33	84	40	44	22			20	9		114	14
2. 2004.....	46,276	35,602	535	207	35	12	11	4	1,791	1,618		10,205	83
3. 2005.....	388,515	375,127	1,025	607					20,019	19,605		14,220	1,200
4. Totals.....	433,861	410,762	1,644	854	79	34	11	4	21,830	21,232	0	24,539	1,297

	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.....			XXX.....	81	33
2. 2004.....	284,747	151,986	132,751	209.8	209.3	210.3				10,002	203
3. 2005.....	431,529	408,276	23,253	331.5	397.4	84.7				13,806	414
4. Totals.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	0	0	XXX.....	23,889	650

Sch. P-Pt. 1J
NONE

Sch. P-Pt. 1K
NONE

Sch. P-Pt. 1L
NONE

Sch. P-Pt. 1M
NONE

Sch. P-Pt. 1N
NONE

Sch. P-Pt. 1O
NONE

Sch. P-Pt. 1P
NONE

Sch. P-Pt. 1R-Sn. 1
NONE

Sch. P-Pt. 1R-Sn. 2
NONE

Sch. P-Pt. 1S
NONE

SCHEDULE P - PART 2A - HOMEOWNERS/FARMOWNERS

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										Development	
	1	2	3	4	5	6	7	8	9	10	11	12
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	One Year	Two Year
1. Prior....											0	0
2. 1996....	726	296	300	283	285	283	283	263	283	283	0	0
3. 1997....	XXX	2,747	2,746	2,734	2,721	2,735	2,741	2,759	2,781	2,784	3	5
4. 1998....	XXX	XXX	5,434	5,822	5,686	5,722	5,851	5,850	5,852	5,853	1	3
5. 1999....	XXX	XXX	XXX	6,964	6,317	6,201	6,434	6,448	6,385	6,382	(3)	(66)
6. 2000....	XXX	XXX	XXX	XXX	6,514	6,900	7,295	7,452	7,317	7,338	21	(114)
7. 2001....	XXX	XXX	XXX	XXX	XXX	6,758	7,317	7,523	7,587	7,881	304	368
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX	9,070	11,158	10,814	10,461	(353)	(697)
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,803	6,887	6,859	(8)	(144)
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	34,832	43,355	8,523	XXX
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	(1,031)	XXX	XXX
12. Totals											8,488	(645)

SCHEDULE P - PART 2B - PRIVATE PASSENGER AUTO LIABILITY/MEDICAL

1. Prior....											0	0
2. 1996....											0	0
3. 1997....	XXX										0	0
4. 1998....	XXX	XXX									0	0
5. 1999....	XXX	XXX	XXX								0	0
6. 2000....	XXX	XXX	XXX	XXX							0	0
7. 2001....	XXX	XXX	XXX	XXX	XXX						0	0
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX					0	0
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX				0	0
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			0	XXX
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals											0	0

SCHEDULE P - PART 2C - COMMERCIAL AUTO/TRUCK LIABILITY/MEDICAL

1. Prior....											0	0
2. 1996....											0	0
3. 1997....	XXX										0	0
4. 1998....	XXX	XXX									0	0
5. 1999....	XXX	XXX	XXX								0	0
6. 2000....	XXX	XXX	XXX	XXX							0	0
7. 2001....	XXX	XXX	XXX	XXX	XXX						0	0
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX					0	0
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX				0	0
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			0	XXX
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals											0	0

SCHEDULE P - PART 2D - WORKERS' COMPENSATION

1. Prior....											0	0
2. 1996....											0	0
3. 1997....	XXX										0	0
4. 1998....	XXX	XXX									0	0
5. 1999....	XXX	XXX	XXX								0	0
6. 2000....	XXX	XXX	XXX	XXX							0	0
7. 2001....	XXX	XXX	XXX	XXX	XXX						0	0
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX					0	0
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX				0	0
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			0	XXX
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals											0	0

SCHEDULE P - PART 2E - COMMERCIAL MULTIPLE PERIL

1. Prior....											0	0
2. 1996....											0	0
3. 1997....	XXX										0	0
4. 1998....	XXX	XXX	33	45	42	40	44	44	44	44	0	0
5. 1999....	XXX	XXX	XXX	134	127	119	98	99	91	94	3	(5)
6. 2000....	XXX	XXX	XXX	XXX	342	319	209	206	202	210	8	4
7. 2001....	XXX	XXX	XXX	XXX	XXX	396	390	376	593	581	388	805
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX	353	385	266	265	(1)	(120)
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	133	110	82	(28)	(51)
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	12	7	(5)	XXX
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals											365	433

SCHEDULE P - PART 2F - SECTION 1 - MEDICAL MALPRACTICE - OCCURRENCE

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										Development	
	1	2	3	4	5	6	7	8	9	10	11	12
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	One Year	Two Year
1. Prior....											0	0
2. 1996....											0	0
3. 1997....	XXX										0	0
4. 1998....	XXX	XXX									0	0
5. 1999....	XXX	XXX	XXX								0	0
6. 2000....	XXX	XXX	XXX	XXX							0	0
7. 2001....	XXX	XXX	XXX	XXX	XXX						0	0
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX					0	0
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX				0	0
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			0	XXX
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals											0	0

SCHEDULE P - PART 2F - SECTION 2 - MEDICAL MALPRACTICE - CLAIMS-MADE

1. Prior....											0	0
2. 1996....											0	0
3. 1997....	XXX										0	0
4. 1998....	XXX	XXX									0	0
5. 1999....	XXX	XXX	XXX								0	0
6. 2000....	XXX	XXX	XXX	XXX							0	0
7. 2001....	XXX	XXX	XXX	XXX	XXX						0	0
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX					0	0
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX				0	0
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			0	XXX
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals											0	0

SCHEDULE P - PART 2G - SPECIAL LIABILITY (OCEAN MARINE, AIRCRAFT (ALL PERILS), BOILER & MACHINERY)

1. Prior....											0	0
2. 1996....											0	0
3. 1997....	XXX										0	0
4. 1998....	XXX	XXX									0	0
5. 1999....	XXX	XXX	XXX								0	0
6. 2000....	XXX	XXX	XXX	XXX							0	0
7. 2001....	XXX	XXX	XXX	XXX	XXX						0	0
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX					0	0
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX				0	0
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			0	XXX
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals											0	0

SCHEDULE P - PART 2H - SECTION 1 - OTHER LIABILITY - OCCURRENCE

1. Prior....											0	0
2. 1996....											0	0
3. 1997....	XXX										0	0
4. 1998....	XXX	XXX									0	0
5. 1999....	XXX	XXX	XXX								0	0
6. 2000....	XXX	XXX	XXX	XXX							0	0
7. 2001....	XXX	XXX	XXX	XXX	XXX						0	0
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX					0	0
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX				0	0
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			0	XXX
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals											0	0

SCHEDULE P - PART 2H - SECTION 2 - OTHER LIABILITY - CLAIMS-MADE

1. Prior....											0	0
2. 1996....											0	0
3. 1997....	XXX										0	0
4. 1998....	XXX	XXX									0	0
5. 1999....	XXX	XXX	XXX								0	0
6. 2000....	XXX	XXX	XXX	XXX							0	0
7. 2001....	XXX	XXX	XXX	XXX	XXX						0	0
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX					0	0
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX				0	0
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			0	XXX
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals											0	0

SCHEDULE P - PART 2I - SPECIAL PROPERTY (FIRE, ALLIED LINES, INLAND MARINE, EARTHQUAKE, BURGLARY AND THEFT)

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										Development	
	1	2	3	4	5	6	7	8	9	10	11	12
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	One Year	Two Year
1. Prior....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,422	468	419	(49)	(1,003)
2. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	115,024	128,989	13,965	XXX
3. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	22,389	XXX	XXX
4. Totals											13,916	(1,003)

SCHEDULE P - PART 2J - AUTO PHYSICAL DAMAGE

1. Prior....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
2. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX
3. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
4. Totals											0	0

SCHEDULE P - PART 2K - FIDELITY/SURETY

1. Prior....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
2. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX
3. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
4. Totals											0	0

SCHEDULE P - PART 2L - OTHER (INCLUDING CREDIT, ACCIDENT AND HEALTH)

1. Prior....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
2. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX
3. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
4. Totals											0	0

SCHEDULE P - PART 2M - INTERNATIONAL

1. Prior....											0	0
2. 1996....											0	0
3. 1997....	XXX										0	0
4. 1998....	XXX	XXX									0	0
5. 1999....	XXX	XXX	XXX								0	0
6. 2000....	XXX	XXX	XXX	XXX							0	0
7. 2001....	XXX	XXX	XXX	XXX	XXX						0	0
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX					0	0
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX				0	0
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			0	XXX
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals											0	0

Sch. P-Pt. 2N
NONE

Sch. P-Pt. 2O
NONE

Sch. P-Pt. 2P
NONE

Sch. P-Pt. 2R-Sn. 1
NONE

Sch. P-Pt. 2R-Sn. 2
NONE

Sch. P-Pt. 2S
NONE

SCHEDULE P - PART 3A - HOMEOWNERS/FARMOWNERS

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1	2	3	4	5	6	7	8	9	10		
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005		
1. Prior.....	000											
2. 1996.....	70	277	283	283	283	283	283	283	283	283	335	176
3. 1997.....	XXX	2,039	2,564	2,677	2,709	2,719	2,731	2,754	2,759	2,760	3,151	1,608
4. 1998.....	XXX	XXX	4,014	5,237	5,519	5,629	5,741	5,837	5,846	5,851	2,731	2,889
5. 1999.....	XXX	XXX	XXX	4,592	5,900	6,084	6,207	6,342	6,357	6,363	5,676	1,633
6. 2000.....	XXX	XXX	XXX	XXX	5,273	6,582	6,928	7,102	7,228	7,284	3,461	1,296
7. 2001.....	XXX	XXX	XXX	XXX	XXX	5,146	6,508	7,066	7,454	7,810	3,191	2,419
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	6,387	8,473	10,015	10,083	2,927	2,779
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,770	5,962	6,140	2,330	1,772
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	33,056	43,858	8,557	3,816
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	(376)	1,871	968

SCHEDULE P - PART 3B - PRIVATE PASSENGER AUTO LIABILITY/MEDICAL

1. Prior.....	000											
2. 1996.....												
3. 1997.....	XXX											
4. 1998.....	XXX	XXX										
5. 1999.....	XXX	XXX	XXX									
6. 2000.....	XXX	XXX	XXX	XXX								
7. 2001.....	XXX	XXX	XXX	XXX	XXX							
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

NONE**SCHEDULE P - PART 3C - COMMERCIAL AUTO/TRUCK LIABILITY/MEDICAL**

1. Prior.....	000											
2. 1996.....												
3. 1997.....	XXX											
4. 1998.....	XXX	XXX										
5. 1999.....	XXX	XXX	XXX									
6. 2000.....	XXX	XXX	XXX	XXX								
7. 2001.....	XXX	XXX	XXX	XXX	XXX							
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

NONE**SCHEDULE P - PART 3D - WORKERS' COMPENSATION**

1. Prior.....	000											
2. 1996.....												
3. 1997.....	XXX											
4. 1998.....	XXX	XXX										
5. 1999.....	XXX	XXX	XXX									
6. 2000.....	XXX	XXX	XXX	XXX								
7. 2001.....	XXX	XXX	XXX	XXX	XXX							
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

NONE**SCHEDULE P - PART 3E - COMMERCIAL MULTIPLE PERIL**

1. Prior.....	000											
2. 1996.....												
3. 1997.....	XXX											
4. 1998.....	XXX	XXX	1	27	32	37	44	44	44	44	11	2
5. 1999.....	XXX	XXX	XXX	35	47	57	77	85	86	94	34	29
6. 2000.....	XXX	XXX	XXX	XXX	65	166	170	174	193	197	70	36
7. 2001.....	XXX	XXX	XXX	XXX	XXX	101	305	331	362	396	94	75
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	29	254	262	262	47	47
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	70	74	74	13	13
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			1	
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

SCHEDULE P - PART 3F - SECTION 1 - MEDICAL MALPRACTICE - OCCURRENCE

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
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005		
1. Prior....	000											
2. 1996....												
3. 1997....	XXX											
4. 1998....	XXX	XXX										
5. 1999....	XXX	XXX	XXX									
6. 2000....	XXX	XXX	XXX	XXX								
7. 2001....	XXX	XXX	XXX	XXX	XXX							
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

SCHEDULE P - PART 3F - SECTION 2 - MEDICAL MALPRACTICE - CLAIMS-MADE

1. Prior....	000											
2. 1996....												
3. 1997....	XXX											
4. 1998....	XXX	XXX										
5. 1999....	XXX	XXX	XXX									
6. 2000....	XXX	XXX	XXX	XXX								
7. 2001....	XXX	XXX	XXX	XXX	XXX							
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		

SCHEDULE P - PART 3G - SPECIAL LIABILITY (OCEAN MARINE, AIRCRAFT (ALL PERILS), BOILER AND MACHINERY)

1. Prior....	000										XXX	XXX
2. 1996....											XXX	XXX
3. 1997....	XXX										XXX	XXX
4. 1998....	XXX	XXX									XXX	XXX
5. 1999....	XXX	XXX	XXX								XXX	XXX
6. 2000....	XXX	XXX	XXX	XXX							XXX	XXX
7. 2001....	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX					XXX	XXX
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX	XXX
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

SCHEDULE P - PART 3H - SECTION 1 - OTHER LIABILITY - OCCURRENCE

1. Prior....	000											
2. 1996....												
3. 1997....	XXX											
4. 1998....	XXX	XXX										
5. 1999....	XXX	XXX	XXX									
6. 2000....	XXX	XXX	XXX	XXX								
7. 2001....	XXX	XXX	XXX	XXX	XXX							
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		

SCHEDULE P - PART 3H - SECTION 2 - OTHER LIABILITY - CLAIMS-MADE

1. Prior....	000											
2. 1996....												
3. 1997....	XXX											
4. 1998....	XXX	XXX										
5. 1999....	XXX	XXX	XXX									
6. 2000....	XXX	XXX	XXX	XXX								
7. 2001....	XXX	XXX	XXX	XXX	XXX							
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		

SCHEDULE P - PART 3I - SPECIAL PROPERTY (FIRE, ALLIED LINES, INLAND MARINE, EARTHQUAKE, BURGLARY AND THEFT)

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Containment Expenses Reported at Year End (\$000 omitted)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005		
1. Prior....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	000	198	316	XXX	XXX
2. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	47,875	118,957	XXX	XXX
3. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	8,583	XXX	XXX

SCHEDULE P - PART 3J - AUTO PHYSICAL DAMAGE

1. Prior....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	000				
2. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
3. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

SCHEDULE P - PART 3K - FIDELITY/SURETY

1. Prior....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	000			XXX	XXX
2. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
3. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

SCHEDULE P - PART 3L - OTHER (INCLUDING CREDIT, ACCIDENT AND HEALTH)

1. Prior....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	000			XXX	XXX
2. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
3. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

SCHEDULE P - PART 3M - INTERNATIONAL

1. Prior....	000										XXX	XXX
2. 1996....											XXX	XXX
3. 1997....	XXX										XXX	XXX
4. 1998....	XXX	XXX									XXX	XXX
5. 1999....	XXX	XXX	XXX								XXX	XXX
6. 2000....	XXX	XXX	XXX	XXX							XXX	XXX
7. 2001....	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2002....	XXX	XXX	XXX	XXX	XXX	XXX					XXX	XXX
9. 2003....	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX	XXX
10. 2004....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
11. 2005....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

Sch. P-Pt. 3N
NONE

Sch. P-Pt. 3O
NONE

Sch. P-Pt. 3P
NONE

Sch. P-Pt. 3R-Sn. 1
NONE

Sch. P-Pt. 3R-Sn. 2
NONE

Sch. P-Pt. 3S
NONE

SCHEDULE P - PART 4A - HOMEOWNERS/FARMOWNERS

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)									
	1	2	3	4	5	6	7	8	9	10
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1. Prior.....										
2. 1996.....	447	5								
3. 1997.....	XXX	246	116	20		6				
4. 1998.....	XXX	XXX	501	240	125	16	66			
5. 1999.....	XXX	XXX	XXX	748	237	83	180	51		
6. 2000.....	XXX	XXX	XXX	XXX	508	208	256	169		
7. 2001.....	XXX	XXX	XXX	XXX	XXX	650	635	157	32	269
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	1,008	1,923	421	224
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	893	536	231
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	520	427
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	383

SCHEDULE P - PART 4B - PRIVATE PASSENGER AUTO LIABILITY/MEDICAL

1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX							
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

NONE**SCHEDULE P - PART 4C - COMMERCIAL AUTO/TRUCK LIABILITY/MEDICAL**

1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

NONE**SCHEDULE P - PART 4D - WORKERS' COMPENSATION**

1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

NONE**SCHEDULE P - PART 4E - COMMERCIAL MULTIPLE PERIL**

1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX	22	11	5					
5. 1999.....	XXX	XXX	XXX	71	74	49	17	6		
6. 2000.....	XXX	XXX	XXX	XXX	195	139	32	21		
7. 2001.....	XXX	XXX	XXX	XXX	XXX	178	62	31	21	
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	165	127	4	2
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	60	38	8
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	12	7
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SCHEDULE P - PART 4F - SECTION 1 - MEDICAL MALPRACTICE - OCCURRENCE

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 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SCHEDULE P - PART 4F - SECTION 2 - MEDICAL MALPRACTICE - CLAIMS-MADE

1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SCHEDULE P - PART 4G - SPECIAL LIABILITY (OCEAN MARINE, AIRCRAFT (ALL PERILS), BOILER AND MACHINERY)

1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SCHEDULE P - PART 4H - SECTION 1 - OTHER LIABILITY - OCCURRENCE

1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SCHEDULE P - PART 4H - SECTION 2 - OTHER LIABILITY - CLAIMS-MADE

1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SCHEDULE P - PART 4I - SPECIAL PROPERTY (FIRE, ALLIED LINES, INLAND MARINE, EARTHQUAKE, BURGLARY AND THEFT)

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 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,098	165	44
2. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,142	335
3. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	418

SCHEDULE P - PART 4J - AUTO PHYSICAL DAMAGE

1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
2. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
3. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

SCHEDULE P - PART 4K - FIDELITY/SURETY

1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
2. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
3. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

SCHEDULE P - PART 4L - OTHER (INCLUDING CREDIT, ACCIDENT AND HEALTH)

1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
2. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
3. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

SCHEDULE P - PART 4M - INTERNATIONAL

1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

Sch. P-Pt. 4N
NONE

Sch. P-Pt. 4O
NONE

Sch. P-Pt. 4P
NONE

Sch. P-Pt. 4R-Sn. 1
NONE

Sch. P-Pt. 4R-Sn. 2
NONE

Sch. P-Pt. 4S
NONE

SCHEDULE P - PART 5A - HOMEOWNERS/FARMOWNERS**SECTION 1**

Years in Which Premiums Were Earned and Losses Were Incurred	Cumulative Number of Claims Closed with Loss Payment Direct and Assumed at Year End									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1998.....	120	331	335	335	335	335	335	335	335	335
3. 1997.....	XXX	2,645	3,142	3,142	3,142	3,142	3,147	3,149	3,150	3,151
4. 1998.....	XXX	XXX	2,441	2,697	2,703	2,711	2,721	2,727	2,729	2,731
5. 1999.....	XXX	XXX	XXX	5,017	5,611	5,644	5,658	5,665	5,671	5,676
6. 2000.....	XXX	XXX	XXX	XXX	2,968	3,405	3,440	3,453	3,457	3,461
7. 2001.....	XXX	XXX	XXX	XXX	XXX	2,718	3,136	3,169	3,186	3,191
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	2,249	2,855	2,907	2,927
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,864	2,305	2,330
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,202	8,557
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,871

SECTION 2

Years in Which Premiums Were Earned and Losses Were Incurred	Number of Claims Outstanding Direct and Assumed at Year End									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1998.....	102	10	5	1						
3. 1997.....	XXX	512	37	36	5	6	4	2	2	1
4. 1998.....	XXX	XXX	599	27	28	13	9	5	2	1
5. 1999.....	XXX	XXX	XXX	595	62	18	11	6	3	2
6. 2000.....	XXX	XXX	XXX	XXX	536	32	16	10	7	4
7. 2001.....	XXX	XXX	XXX	XXX	XXX	311	41	27	15	3
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	567	43	23	12
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	308	34	17
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,523	359
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,501

SECTION 3

Years in Which Premiums Were Earned and Losses Were Incurred	Cumulative Number of Claims Reported Direct and Assumed at Year End									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....	303	506	510	510	511	511	511	511	511	511
3. 1997.....	XXX	4,442	4,714	4,734	4,747	4,753	4,758	4,759	4,760	4,760
4. 1998.....	XXX	XXX	5,335	5,549	5,574	5,591	5,607	5,615	5,617	5,621
5. 1999.....	XXX	XXX	XXX	6,941	7,239	7,260	7,286	7,294	7,300	7,311
6. 2000.....	XXX	XXX	XXX	XXX	4,421	4,675	4,724	4,745	4,752	4,761
7. 2001.....	XXX	XXX	XXX	XXX	XXX	5,058	5,539	5,597	5,614	5,613
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	5,057	5,612	5,693	5,718
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,641	4,080	4,119
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	11,577	12,732
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,340

Sch. P-Pt. 5B-Sn. 1
NONE

Sch. P-Pt. 5B-Sn. 2
NONE

Sch. P-Pt. 5B-Sn. 3
NONE

Sch. P-Pt. 5C-Sn. 1
NONE

Sch. P-Pt. 5C-Sn. 2
NONE

Sch. P-Pt. 5C-Sn. 3
NONE

Sch. P-Pt. 5D-Sn. 1
NONE

Sch. P-Pt. 5D-Sn. 2
NONE

Sch. P-Pt. 5D-Sn. 3
NONE

SCHEDULE P - PART 5E - COMMERCIAL MULTIPLE PERIL**SECTION 1**

Years in Which Premiums Were Earned and Losses Were Incurred	Cumulative Number of Claims Closed with Loss Payment Direct and Assumed at Year End									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX	1	7	7	8	11	11	11	11
5. 1999.....	XXX	XXX	XXX	25	27	27	32	33	33	34
6. 2000.....	XXX	XXX	XXX	XXX	44	61	66	66	70	70
7. 2001.....	XXX	XXX	XXX	XXX	XXX	53	78	87	92	94
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	33	45	47	47
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	11	13	13
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1	1
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SECTION 2

Years in Which Premiums Were Earned and Losses Were Incurred	Number of Claims Outstanding Direct and Assumed at Year End									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX	3		1	1				
5. 1999.....	XXX	XXX	XXX	11	5	4	2	1	1	1
6. 2000.....	XXX	XXX	XXX	XXX	32	4	1	1	3	1
7. 2001.....	XXX	XXX	XXX	XXX	XXX	22	7	2	3	1
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	8	1	1	2
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1		
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SECTION 3

Years in Which Premiums Were Earned and Losses Were Incurred	Cumulative Number of Claims Reported Direct and Assumed at Year End									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX	4	8	9	10	13	13	13	13
5. 1999.....	XXX	XXX	XXX	39	56	55	62	62	62	64
6. 2000.....	XXX	XXX	XXX	XXX	95	95	101	103	109	107
7. 2001.....	XXX	XXX	XXX	XXX	XXX	113	155	164	170	170
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	72	93	95	96
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	22	26	26
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1	1
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

Sch. P-Pt. 5F-Sn. 1A
NONE

Sch. P-Pt. 5F-Sn. 2A
NONE

Sch. P-Pt. 5F-Sn. 3A
NONE

Sch. P-Pt. 5F-Sn. 1B
NONE

Sch. P-Pt. 5F-Sn. 2B
NONE

Sch. P-Pt. 5F-Sn. 3B
NONE

SCHEDULE P - PART 5H - OTHER LIABILITY - OCCURRENCE**SECTION 1A**

Years in Which Premiums Were Earned and Losses Were Incurred	Cumulative Number of Claims Closed with Loss Payment Direct and Assumed at Year End									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SECTION 2A

Years in Which Premiums Were Earned and Losses Were Incurred	Number of Claims Outstanding Direct and Assumed at Year End									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1	
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1

SECTION 3A

Years in Which Premiums Were Earned and Losses Were Incurred	Cumulative Number of Claims Reported Direct and Assumed at Year End									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1	
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1

Sch. P-Pt. 5H-Sn. 1B
NONE

Sch. P-Pt. 5H-Sn. 2B
NONE

Sch. P-Pt. 5H-Sn. 3B
NONE

Sch. P-Pt. 5R-Sn. 1A
NONE

Sch. P-Pt. 5R-Sn. 2A
NONE

Sch. P-Pt. 5R-Sn. 3A
NONE

Sch. P-Pt. 5R-Sn. 1B
NONE

Sch. P-Pt. 5R-Sn. 2B
NONE

Sch. P-Pt. 5R-Sn. 3B
NONE

Sch. P-Pt. 6C-Sn. 1
NONE

Sch. P-Pt. 6C-Sn. 2
NONE

Sch. P-Pt. 6D-Sn. 1
NONE

Sch. P-Pt. 6D-Sn. 2
NONE

SCHEDULE P - PART 6E - COMMERCIAL MULTIPLE PERIL**SECTION 1**

Years in Which Premiums Were Earned and Losses Were Incurred	Cumulative Premiums Earned Direct and Assumed at Year End (\$000 omitted)										11 Current Year Premiums Earned
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005	
1. Prior.....											0
2. 1996.....											0
3. 1997.....	XXX	3	3	3	3	3	3	3	3	3	3
4. 1998.....	XXX	XXX	1,232	1,232	1,232	1,232	1,232	1,232	1,232	1,232	1,232
5. 1999.....	XXX	XXX	XXX	3,174	3,174	3,174	3,174	3,174	3,174	3,174	3,174
6. 2000.....	XXX	XXX	XXX	XXX	5,371	5,371	5,371	5,371	5,371	5,371	5,371
7. 2001.....	XXX	XXX	XXX	XXX	XXX	6,360	6,360	6,360	6,360	6,360	6,360
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	2,286	2,286	2,286	2,286	2,286
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	492	492	492	492
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	63	63	63
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
12. Total.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
13. Earned Prems.(P-Pt 1)		3	1,232	3,174	5,371	6,360	2,286	492	63	XXX	XXX

SECTION 2

Years in Which Premiums Were Earned and Losses Were Incurred	Cumulative Premiums Earned Ceded at Year End (\$000 omitted)										11 Current Year Premiums Earned
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005	
1. Prior.....											0
2. 1996.....											0
3. 1997.....	XXX	2	2	2	2	2	2	2	2	2	2
4. 1998.....	XXX	XXX	837	837	837	837	837	837	837	837	837
5. 1999.....	XXX	XXX	XXX	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877
6. 2000.....	XXX	XXX	XXX	XXX	2,888	2,888	2,888	2,888	2,888	2,888	2,888
7. 2001.....	XXX	XXX	XXX	XXX	XXX	3,728	3,728	3,728	3,728	3,728	3,728
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	1,255	1,255	1,255	1,255	1,255
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	438	438	438	438
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	25	25	25
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
12. Total.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
13. Earned Prems.(P-Pt 1)		2	837	1,877	2,888	3,728	1,255	438	25	XXX	XXX

SCHEDULE P - PART 6H - OTHER LIABILITY - OCCURRENCE**SECTION 1A**

Years in Which Premiums Were Earned and Losses Were Incurred	Cumulative Premiums Earned Direct and Assumed at Year End (\$000 omitted)										11 Current Year Premiums Earned
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005	
1. Prior.....											0
2. 1996.....											0
3. 1997.....	XXX										0
4. 1998.....	XXX	XXX									0
5. 1999.....	XXX	XXX	XXX	2	2	2	2	2	2	2	2
6. 2000.....	XXX	XXX	XXX	XXX	17	17	17	17	17	17	17
7. 2001.....	XXX	XXX	XXX	XXX	XXX	42	42	42	42	42	42
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	106	106	106	106	106
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	218	218	218	218
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	314	314	314
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	342	342
12. Total.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	342
13. Earned Prems.(P-Pt 1)			1	2	17	42	106	218	314	342	XXX

SECTION 2A

Years in Which Premiums Were Earned and Losses Were Incurred	Cumulative Premiums Earned Ceded at Year End (\$000 omitted)										11 Current Year Premiums Earned
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005	
1. Prior.....											0
2. 1996.....											0
3. 1997.....	XXX										0
4. 1998.....	XXX	XXX									0
5. 1999.....	XXX	XXX	XXX	1	1	1	1	1	1	1	1
6. 2000.....	XXX	XXX	XXX	XXX	11	11	11	11	11	11	11
7. 2001.....	XXX	XXX	XXX	XXX	XXX	37	37	37	37	37	37
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX	102	102	102	102	102
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	209	209	209	209
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	302	302	302
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	328	328
12. Total.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	328
13. Earned Prems.(P-Pt 1)				1	11	37	102	209	302	328	XXX

Sch. P-Pt. 6H-Sn. 1B
NONE

Sch. P-Pt. 6H-Sn. 2B
NONE

Sch. P-Pt. 6M-Sn. 1
NONE

Sch. P-Pt. 6M-Sn. 2
NONE

Sch. P-Pt. 6N-Sn. 1
NONE

Sch. P-Pt. 6N-Sn. 2
NONE

Sch. P-Pt. 6O-Sn. 1
NONE

Sch. P-Pt. 6O-Sn. 2
NONE

Sch. P-Pt. 6R-Sn. 1A
NONE

Sch. P-Pt. 6R-Sn. 2A
NONE

Sch. P-Pt. 6R-Sn. 1B
NONE

Sch. P-Pt. 6R-Sn. 2B
NONE

SCHEDULE P - PART 7A - PRIMARY LOSS SENSITIVE CONTRACTS

(\$000 Omitted)

SECTION 1

Schedule P - Part 1	1 Total Net Losses and Expenses Unpaid	2 Net Losses and Expenses Unpaid on Loss Sensitive Contracts	3 Loss Sensitive as Percentage of Total	4 Total Net Premiums Written	5 Net Premiums Written on Loss Sensitive Contracts	6 Loss Sensitive as Percentage of Total
1. Homeowners/farmowners.....	136		0.0	6,167		0.0
2. Private passenger auto liability/medical.....			0.0			0.0
3. Commercial auto/truck liability/medical.....			0.0			0.0
4. Workers' compensation.....			0.0			0.0
5. Commercial multiple peril.....	40		0.0			0.0
6. Medical malpractice - occurrence.....			0.0			0.0
7. Medical malpractice - claims-made.....			0.0			0.0
8. Special liability.....			0.0			0.0
9. Other liability - occurrence.....	25		0.0	15		0.0
10. Other liability - claims-made.....			0.0			0.0
11. Special property.....	24,539		0.0	7,803		0.0
12. Auto physical damage.....			0.0			0.0
13. Fidelity/surety.....			0.0			0.0
14. Other.....			0.0			0.0
15. International.....			0.0			0.0
16. Reinsurance - nonproportional assumed property.....	XXX	XXX	XXX	XXX	XXX	XXX
17. Reinsurance - nonproportional assumed liability.....	XXX	XXX	XXX	XXX	XXX	XXX
18. Reinsurance - nonproportional assumed financial lines.....	XXX	XXX	XXX	XXX	XXX	XXX
19. Products liability - occurrence.....			0.0			0.0
20. Products liability - claims-made.....			0.0			0.0
21. Financial guaranty/mortgage guaranty.....			0.0			0.0
22. Totals.....	24,740	0	0.0	13,984	0	0.0

SECTION 2

Incurred Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)

Years in Which Policies Were Issued	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SECTION 3

Bulk and Incurred But Not Reported Reserves for Losses and Defense and Cost Containment Expenses at Year End (\$000 omitted)

Years in Which Policies Were Issued	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SCHEDULE P - PART 7A - PRIMARY LOSS SENSITIVE CONTRACTS (continued)**SECTION 4**

Years in Which Policies Were Issued	Net Earned Premiums Reported at Year End (\$000 omitted)									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SECTION 5

Years in Which Policies Were Issued	Net Reserve for Premium Adjustments and Accrued Retrospective Premiums at Year End (\$000 omitted)									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SCHEDULE P - PART 7B - REINSURANCE LOSS SENSITIVE CONTRACTS

(\$000 Omitted)

SECTION 1

	1	2	3	4	5	6
	Total Net Losses and Expenses Unpaid	Net Losses and Expenses Unpaid on Loss Sensitive Contracts	Loss Sensitive as Percentage of Total	Total Net Premiums Written	Net Premiums Written on Loss Sensitive Contracts	Loss Sensitive as Percentage of Total
Schedule P - Part 1						
1. Homeowners/farmowners.....	136		0.0	6,167		0.0
2. Private passenger auto liability/medical.....			0.0			0.0
3. Commercial auto/truck liability/medical.....			0.0			0.0
4. Workers' compensation.....			0.0			0.0
5. Commercial multiple peril.....	40		0.0			0.0
6. Medical malpractice - occurrence.....			0.0			0.0
7. Medical malpractice - claims-made.....			0.0			0.0
8. Special liability.....			0.0			0.0
9. Other liability - occurrence.....	25		0.0	15		0.0
10. Other liability - claims-made.....			0.0			0.0
11. Special property.....	24,539		0.0	7,903		0.0
12. Auto physical damage.....			0.0			0.0
13. Fidelity/surety.....			0.0			0.0
14. Other.....			0.0			0.0
15. International.....			0.0			0.0
16. Reinsurance - nonproportional assumed property.....			0.0			0.0
17. Reinsurance - nonproportional assumed liability.....			0.0			0.0
18. Reinsurance - nonproportional assumed financial lines.....			0.0			0.0
19. Products liability - occurrence.....			0.0			0.0
20. Products liability - claims-made.....			0.0			0.0
21. Financial guaranty/mortgage guaranty.....			0.0			0.0
22. Totals	24,740	0	0.0	13,984	0	0.0

SECTION 2

Years in Which Policies Were Issued	Incurred Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SECTION 3

Years in Which Policies Were Issued	Bulk and Incurred But Not Reported Reserves for Losses and Defense and Cost Containment Expenses at Year End (\$000 omitted)									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SCHEDULE P - PART 7B - REINSURANCE LOSS SENSITIVE CONTRACTS (continued)**SECTION 4**

Years in Which Policies Were Issued	Net Earned Premiums Reported At Year End (\$000 Omitted)									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SECTION 5

Years in Which Policies Were Issued	Net Reserve For Premium Adjustments And Accrued Retrospective Premiums At Year End (\$000 Omitted)									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SECTION 6

Years in Which Policies Were Issued	Incurred Adjustable Commissions Reported At Year End (\$000 Omitted)									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SECTION 7

Years in Which Policies Were Issued	Reserves For Commission Adjustments At Year End (\$000 Omitted)									
	1 1996	2 1997	3 1998	4 1999	5 2000	6 2001	7 2002	8 2003	9 2004	10 2005
1. Prior.....										
2. 1996.....										
3. 1997.....	XXX									
4. 1998.....	XXX	XXX								
5. 1999.....	XXX	XXX	XXX							
6. 2000.....	XXX	XXX	XXX	XXX						
7. 2001.....	XXX	XXX	XXX	XXX	XXX					
8. 2002.....	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2003.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2004.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2005.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SCHEDULE P INTERROGATORIES

1. What is the extended loss and expense reserve - direct and assumed - for the following classes? An example of an extended loss and expense reserve is the actuarial reserve for the free-tail coverage arising upon death, disability or retirement in most medical malpractice policies. Such a liability is to be reported here even if it was not reported elsewhere in Schedule P, but otherwise reported as a liability item on Page 3. Show the full reserve amount, not just the change during the current year.

Years in Which Premiums Were Earned and Losses Were Incurred	1 Medical Malpractice	2 Other Liability	3 Products Liability
1.01 Prior.....			
1.02 1996.....			
1.03 1997.....			
1.04 1998.....			
1.05 1999.....			
1.06 2000.....			
1.07 2001.....			
1.08 2002.....			
1.09 2003.....			
1.10 2004.....			
1.11 2005.....			
1.12 Totals.....	0	0	0

2. The definition of allocated loss adjustment expenses (ALAE) and, therefore, unallocated loss adjustment expenses (ULAE) was changed effective January 1, 1998. This change in definition applies to both paid and unpaid expenses. Are these expenses (now reported as "Defense and Cost Containment" and "Adjusting and Other") reported in compliance with these definitions in this statement? Yes ☒ No ☐
3. The Adjusting and Other expense payments and reserves should be allocated to the years in which the losses were incurred based on the number of claims reported, closed and outstanding in those years. When allocating Adjusting and Other expense between companies in a group or a pool, the Adjusting and Other expense should be allocated in the same percentage used for the loss amounts and the claim counts. For reinsurers, Adjusting and Other expense assumed should be reported according to the reinsurance contract. For Adjusting and Other expense incurred by reinsurers, or in those situations where suitable claim count information is not available, Adjusting and Other expense should be allocated by a reasonable method determined by the company and described in Interrogatory 7, below. Are they so reported in this statement? Yes ☒ No ☐
4. Do any lines in Schedule P include reserves that are reported gross of any discount to present value of future payments, and that are reported net of such discounts on Page 10? Yes ☐ No ☒
- If Yes, proper disclosure must be made in the Notes to Financial Statements, as specified in the Instructions. Also, the discounts must be reported in Schedule P - Part 1, Columns 32 and 33.
- Schedule P must be completed gross of non-tabular discounting. Work papers relating to discount calculations must be available for examination upon request.
- Discounting is allowed only if expressly permitted by the state insurance department to which this Annual Statement is being filed.
5. What were the net premiums in force at the end of the year for: (in thousands of dollars)
- 5.1 Fidelity
- 5.2 Surety
6. Claim count information is reported per claim or per claimant. (Indicate which). PER CLAIM
- If not the same in all years, explain in Interrogatory 7.
- 7.1 The information provided in Schedule P will be used by many persons to estimate the adequacy of the current loss and expense reserves, among other things. Are there any especially significant events, coverage, retention or accounting changes that have occurred that must be considered when making such analyses? Yes ☒ No ☐
- 7.2 An extended statement may be attached.
- The company's losses included catastrophe claims from four hurricanes that struck Florida in 2004 and four hurricanes that struck Florida in 2005. See Note #21 for further description.

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

1 States, Etc.	2 Is Insurer Licensed? (YES or NO)	3 Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL	NO								
2. Alaska.....AK	NO								
3. Arizona.....AZ	NO								
4. Arkansas.....AR	NO								
5. California.....CA	NO								
6. Colorado.....CO	NO								
7. Connecticut.....CT	NO								
8. Delaware.....DE	NO								
9. District of Columbia.....DC	NO								
10. Florida.....FL	YES	148,060,292	162,859,896		221,978,201	531,463,203	465,190,048		
11. Georgia.....GA	NO								
12. Hawaii.....HI	NO								
13. Idaho.....ID	NO								
14. Illinois.....IL	NO								
15. Indiana.....IN	NO								
16. Iowa.....IA	NO								
17. Kansas.....KS	NO								
18. Kentucky.....KY	NO								
19. Louisiana.....LA	NO								
20. Maine.....ME	NO								
21. Maryland.....MD	NO								
22. Massachusetts.....MA	NO								
23. Michigan.....MI	NO								
24. Minnesota.....MN	NO								
25. Mississippi.....MS	NO								
26. Missouri.....MO	NO								
27. Montana.....MT	NO								
28. Nebraska.....NE	NO								
29. Nevada.....NV	NO								
30. New Hampshire.....NH	NO								
31. New Jersey.....NJ	NO								
32. New Mexico.....NM	NO								
33. New York.....NY	NO								
34. North Carolina.....NC	NO								
35. North Dakota.....ND	NO								
36. Ohio.....OH	NO								
37. Oklahoma.....OK	NO								
38. Oregon.....OR	NO								
39. Pennsylvania.....PA	NO								
40. Rhode Island.....RI	NO								
41. South Carolina.....SC	NO								
42. South Dakota.....SD	NO								
43. Tennessee.....TN	NO								
44. Texas.....TX	NO								
45. Utah.....UT	NO								
46. Vermont.....VT	NO								
47. Virginia.....VA	NO								
48. Washington.....WA	NO								
49. West Virginia.....WV	NO								
50. Wisconsin.....WI	NO								
51. Wyoming.....WY	NO								
52. American Samoa.....AS	NO								
53. Guam.....GU	NO								
54. Puerto Rico.....PR	NO								
55. US Virgin Islands.....VI	NO								
56. Canada.....CN	NO								
57. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0	0	0
58. Totals.....(a)	1	148,060,292	162,859,896	0	221,978,201	531,463,203	465,190,048	0	0
DETAILS OF WRITE-INS									
5701. ....XXX									
5702. ....XXX									
5703. ....XXX									
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX	0	0	0	0	0	0	0	0
5799. Totals (Lines 5701 thru 5703 + Line 5798) (Line 57 above)	XXX	0	0	0	0	0	0	0	0

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

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

SCHEDULE T - PART 2

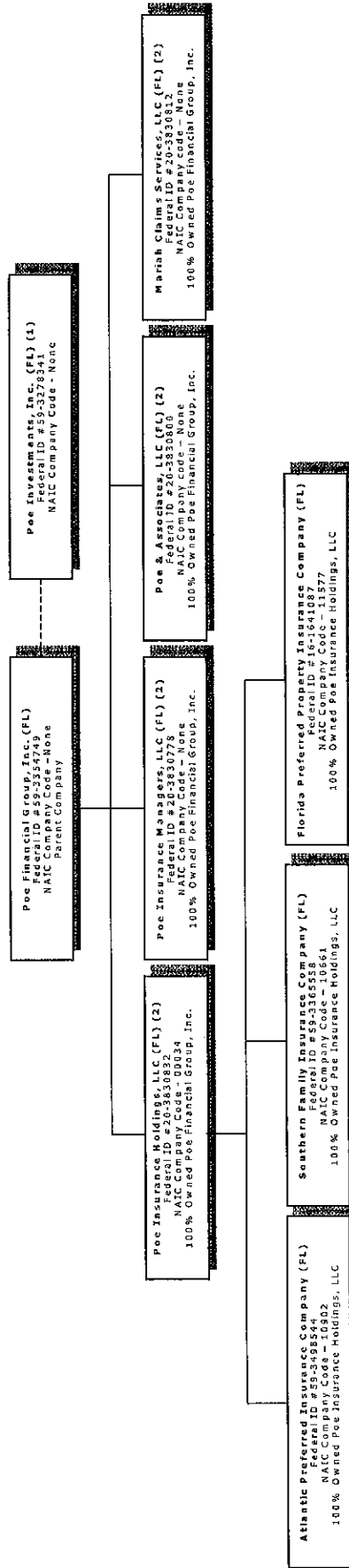
INTERSTATE COMPACT PRODUCTS - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

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

NONE

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



(1) Poe Insurance Holdings, Inc. is not a subsidiary of Poe Financial Group, Inc., but has a common shareholder.
 (2) Poe Insurance Holdings, LLC, Poe Insurance Managers, LLC, Poe & Associates, LLC, and Mariah Claims Services, LLC converted from S-Corporations to Limited Liability Corporations in November of 2005.

Southern Family Insurance Company

Annual Statement for the year 2005 of the

SCHEDULE Y (Continued)

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Underwritings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
Affiliated Transactions												
20-3630812	Manah Claims Services, LLC						1,678,690				1,678,690	
20-3630778	Poe Insurance Managers, LLC						30,165,665				30,165,665	
59-3365558	Southern Family Insurance Company			6,000,000			(31,844,355)				(25,844,355)	
20-3630832	Poe Insurance Holdings, LLC			(6,000,000)							(6,000,000)	
9999999	Control Totals		0	0	0	0	0	0	XXX	0	0	0

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED 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.

MARCH FILING

1. Will an actuarial opinion be filed by March 1?
2. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?
3. Will the Risk-Based Capital Report be filed with the NAIC by March 1?
4. Will the Risk-Based Capital Report be filed with the state of domicile, if required, by March 1?
5. Will the Reinsurance Attestation Supplement be filed with the state of domicile and the NAIC by March 1?

Responses

YES

YES

YES

YES

YES

APRIL FILING

6. Will the Insurance Expense Exhibit be filed with the state of domicile and the NAIC by April 1?
7. Will the Management's Discussion and Analysis be filed by April 1?
8. Will the Investment Risk Interrogatories be filed by April 1?

YES

YES

YES

MAY FILING

9. Will this company be included in a combined annual statement that is filed with the NAIC by May 1?

YES

JUNE FILING

10. Will an audited financial report be filed by June 1?

YES

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.

MARCH FILING

11. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?
12. Will the Financial Guaranty Insurance Exhibit be filed by March 1?
13. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?
14. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed by March 1?
15. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1?
16. Will the Premiums Attributed to Protected Cells Exhibit be filed by March 1?
17. Will the Reinsurance Summary Supplemental Filing for General Interrogatory 9 be filed with the state of domicile and the NAIC by March 1?

NO

NO

NO

NO

NO

NO

NO

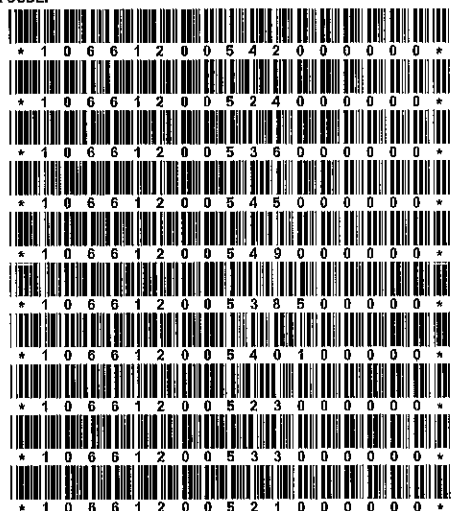
APRIL FILING

18. Will the Credit Insurance Experience Exhibit be filed with state of domicile and the NAIC by April 1?
19. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?
20. Will the Accident and Health Policy Experience Exhibit be filed by April 1?

NO

NO

NO

EXPLANATIONS:**BAR CODE:**

Overflow Page
NONE

Overflow Page
NONE

Sch. A-Pt. 1
NONE

Sch. A-Pt. 2
NONE

Sch. A-Pt. 3
NONE

Sch. B-Pt. 1
NONE

Sch. B-Pt. 2
NONE

Southern Family Insurance Company

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets OWNED December 31 of Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
CUSIP Identification	Name or Description	Code	City	State	Name of Vendor or General Partner	NAIC Designation	Date Originally Acquired	Type and Strategy	Actual Cost	Additional Investment During Year	Fair Value	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Increase (Decrease) by Exchange Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Investment Income	Commitment for Additional Investment	Percentage of Ownership
Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated																		
1599999	Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated						05/01/2003	5	1,510,313		1,755,060		1,755,060	30,884				2.3
	Contarian Opportunities Fund LP				Saint Petersburg, FL				1,510,313		1,755,060		1,755,060	30,884				XXX
Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Unaffiliated																		
1799999	Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Unaffiliated						07/30/2003	10	855,073	390,000	655,073		655,073				310,000	0.6
	UBS Real Estate Opportunity Fund LLC				DE - UBS Financial Services Inc.				855,073	390,000	655,073		655,073					XXX
3199999	Subtotal - Unaffiliated								2,165,386	390,000	2,410,134		2,410,134	30,884			310,000	XXX
3399999	Totals								2,165,386	390,000	2,410,134		2,410,134	30,884			310,000	XXX

Southern Family Insurance Company

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets SOLD, Transferred or Paid in Full During the Year

1	2	3		4	5	6	7	8	9	10	11	12	13	14	15
CUSIP Identification	Name or Description	Location		State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration Received	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income
Oil and Gas Production Payments - Unaffiliated															
0199999	Crude Oil Futures	New York		NY	Merrill Lynch	03/24/2004	1,792,500	(292,500)		1,500,000	1,890,000		390,000	390,000	
0199999	Total - Oil and Gas Production Payments - Unaffiliated						1,792,500	(292,500)	.0	1,500,000	1,890,000	.0	390,000	390,000	.0
Fixed or Variable Interest Rate Investments That Have Underlying Characteristics of Other Fixed Income Instruments - Unaffiliated															
1199999	Trading Partners Basket N1	New York		NY	Merrill Lynch	07/28/2004	2,118,000	(118,000)		2,000,000	2,084,000		84,000	84,000	
1199999	Total - Fixed or Variable Interest Rate Investments That Have Underlying Characteristics of Other Fixed Income Instruments - Unaffiliated						2,118,000	(118,000)	.0	2,000,000	2,084,000	.0	84,000	84,000	.0
Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated															
1599999	UBS Andor Technology Perennial Fund LLC Dover			DE	UBS Financial Services Inc.	07/30/2003	488,720	11,280		500,000	517,594		17,594	17,594	
1599999	Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated						488,720	11,280	.0	500,000	517,594	.0	17,594	17,594	.0
Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Unaffiliated															
1799999	UBS Real Estate Opportunity Fund LLC	Dover		DE	Return of Capital	07/30/2003	234,927			234,927	504,373		269,447	269,447	47,896
1799999	Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Real Estate - Unaffiliated						234,927	.0	.0	234,927	504,373	.0	269,447	269,447	47,896
Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated															
1999999	Commodity Traders CFTC Regulated Futures Chicago			IL	Merrill Lynch	11/14/2003	1,009,125	(69,873)		939,252	1,019,327		110,075	110,075	
1999999	Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated						1,009,125	(69,873)	.0	939,252	1,019,327	.0	110,075	110,075	.0
3199999	Subtotal - Unaffiliated						5,643,272	(499,093)	.0	5,144,179	6,015,294	.0	871,115	871,115	47,896
3399999	Totals						5,643,272	(499,093)	.0	5,144,179	6,015,294	.0	871,115	871,115	47,896

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

[illegible]

Sch. D-Pt. 2-Sn. 1
NONE

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

SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Year

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends
893331 AC	11 Merc & Co Inc		11/15/2005	Wachovia Bank		517,230	500,000	11,998
459999	Total - Bonds - Industrial and Miscellaneous					517,230	500,000	11,998
909997	Total - Bonds - Part 3					517,230	500,000	11,998
609996	Total - Bonds - Summary Item from Part 5					87,195	XXX	11,998
909999	Total - Bonds					87,195	XXX	11,998
729998	Total - Common Stocks - Summary Item from Part 5					652,271	XXX	0
729999	Total - Common Stocks					652,271	XXX	0
739998	Total - Preferred and Common Stocks					652,271	XXX	0
749999	Total - Bonds, Preferred and Common Stocks					1,559,457	XXX	11,998

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
CUSIP Identification	Description	Filing Date	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase (Decrease)	Current Year's Amortization (Accretion)	Other Than Temporary Impairment Recognized	Total Change in B.A.C.V. (11-12-13)	Total Foreign Exchange Change in B.A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Stock Dividends Received During Year	Maturity Date
Bonds - U.S. Government																				
3133MA WE 6	Federal Home Loan Bank	11/15/2005	11/15/2005	Wachovia Bank		2,616,228	2,000,000	2,050,063	2,055,973		(759)				2,055,214		461,012	461,012	178,659	02/15/2030
300250 70 1	Evergreen Select Treasury Mty Ltd.	12/05/2005	12/05/2005	Wachovia Bank		650,000	650,000	650,000	650,000						650,000				15,713	01/01/2007
3134AA AA 2	Federal Home Loan Mfg Corp.	11/15/2005	11/15/2005	Wachovia Bank		1,702,714	1,400,000	1,448,453	1,445,972		(649)				1,445,323		257,390	257,390	110,515	01/15/2031
3134AA KX 1	Federal Home Loan Mfg Corp.	11/15/2005	11/15/2005	Wachovia Bank		628,624	720,000	734,175	733,727		(174)				733,553		96,271	96,271	60,125	07/15/2032
31359A EU 3	Federal National Mfg Association	11/15/2005	11/15/2005	Wachovia Bank		696,328	609,000	628,864	628,073		(313)				627,759		68,569	68,569	18,168	05/15/2032
31359A FP 3	Federal National Mfg Association	11/15/2005	11/15/2005	Wachovia Bank		1,281,983	1,000,000	1,050,350	1,050,350		(677)				1,049,673		232,310	232,310	72,701	05/15/2030
31359A GK 3	Federal Natl Mfg Assn	11/15/2005	11/15/2005	Wachovia Bank		1,193,526	1,415,000	1,481,638	1,487,727		(1,037)				1,486,690		206,836	206,836	94,014	11/15/2030
912010 FQ 6	US Treasury Inflation Index Nl	11/15/2005	11/15/2005	Wachovia Bank		553,168	385,000	505,789	501,977	(14,981)	12,841		(2,159)		499,824		53,342	53,342	15,840	04/15/2032
030999	Total - Bonds - U.S. Government					9,923,767	8,189,000	8,571,083	8,553,769	(14,981)	9,232		(5,789)	0	8,548,036	0	1,375,730	1,375,730	385,673	XXX
Bonds - All Other Government																				
005184 FH 3	Australian Government	02/02/2005	02/02/2005	Salomon Smith Barney		1,231,367	1,229,436	1,139,890	1,256,098		(3,788)				1,116,047	128,357	128,357	115,319	48,328	07/15/2005
005959	Total - Bonds - All Other Government					1,231,367	1,229,436	1,139,890	1,256,098	0	(3,788)				1,116,047	128,357	128,357	115,319	48,328	XXX
Bonds - Industrial and Miscellaneous																				
072732 AC 4	Bayer Corp.	11/15/2005	11/15/2005	Wachovia Bank		541,955	500,000	502,265	502,150		(36)				502,114		39,841	39,841	38,841	02/15/2028
172867 AL 5	Citigroup Inc.	11/15/2005	11/15/2005	Wachovia Bank		1,243,480	1,000,000	1,014,550	1,173,552		(251)				1,013,301		230,179	230,179	79,408	05/15/2025
31428A 10 0	Federated US Gov Sec 1-3 Ind.	11/15/2005	11/15/2005	Wachovia Bank		379,956	385,740	385,740	385,740						385,740		(6,784)	(6,784)	11,300	01/01/2007
478160 AJ 3	Johnson & Johnson	11/15/2005	11/15/2005	Wachovia Bank		1,215,006	984,700	986,584	986,584		189				986,702		229,288	229,288	84,365	08/01/2029
593331 AC 1	Merck & Co Inc.	11/15/2005	11/15/2005	Wachovia Bank		929,304	900,000	893,241	893,241		129				893,873		35,431	35,431	78,278	01/01/2026
870845 AC 8	Swiss Bank Corp.	11/15/2005	11/15/2005	Wachovia Bank		621,150	500,000	524,400	549,212		(899)				548,313		72,847	72,847	47,038	09/01/2030
931142 BF 9	Wal-Mart Stores Inc.	11/15/2005	11/15/2005	Wachovia Bank		1,239,340	1,000,000	1,032,665	1,032,665		(1,277)				1,032,246		207,094	207,094	95,004	02/15/2030
609999	Total - Bonds - Industrial and Miscellaneous					6,170,195	5,285,740	5,367,255	5,362,558	0	(1,277)				5,325,372	0	808,906	808,906	437,231	XXX
609997	Total - Bonds - Part 4					17,325,329	14,704,176	15,162,465	14,978,318	(14,981)	4,187				15,025,372	128,357	2,171,598	2,298,955	1,071,232	XXX
609998	Total - Bonds					379,956	379,956	379,956	379,956						379,956		0	0	2,538	XXX
609999	Total - Bonds - Summary Item from Part 5					17,705,285	14,704,176	15,552,421	15,552,421	(14,981)	4,187				15,405,226	128,357	2,171,598	2,298,955	1,073,770	XXX
Preferred Stocks - Banks, Trust and Insurance Companies																				
825933 20 1	Wachovia Corp Preferred	03/07/2005	03/07/2005	Salomon Smith Barney		2,000,000	XXX	481	2	479					481		(481)	(481)	0	XXX
625959	Total - Preferred Stocks - Banks, Trust and Insurance Companies					0	XXX	481	2	479					481		(481)	(481)	0	XXX
Preferred Stocks - Industrial and Miscellaneous																				
671660 20 8	Morgan Stanley CP TR III	03/07/2005	03/07/2005	Salomon Smith Barney		307,308	XXX	305,000	310,246	(5,246)					305,000		2,308	2,308	4,766	XXX
625959	Total - Preferred Stocks - Industrial and Miscellaneous					307,308	XXX	305,000	310,246	(5,246)					305,000		2,308	2,308	4,766	XXX
659997	Total - Preferred Stocks - Part 4					307,308	XXX	305,481	310,246	(4,757)					305,481		1,827	1,827	4,766	XXX
659998	Total - Preferred Stocks					307,308	XXX	305,481	310,246	(4,757)					305,481		1,827	1,827	4,766	XXX
Common Stocks - Industrial and Miscellaneous																				
032311 10 7	Andarix Petroleum	04/19/2005	04/19/2005	Salomon Smith Barney		1,572,736	XXX	1,255,491	1,607,288	(311,797)					1,295,491		577,246	577,246	4,464	XXX
064570 10 8	Berkshire Hathaway Inc.	04/04/2005	04/04/2005	Salomon Smith Barney		1,555,387	XXX	1,346,398	1,933,300	(387,402)					1,346,398		609,989	609,989	809,593	XXX
090550 10 3	BioCryst Pharmaceutical Inc.	03/07/2005	03/07/2005	Salomon Smith Barney		27,771	XXX	49,907	28,351	21,556					49,907		(22,136)	(22,136)	0	XXX
19248A 10 9	Celanese Chemical Inc.	04/19/2005	04/19/2005	Salomon Smith Barney		321,794	XXX	333,441	334,558	(1,118)					333,441		128,419	128,419	5,860	XXX
126590 10 0	CVS Corp.	04/04/2005	04/04/2005	Salomon Smith Barney		483,516	XXX	355,097	423,558	(68,561)					355,097		6,268	6,268	882	XXX
277911 12 9	Easton Vantage Floating Rate Fund	02/09/2005	02/09/2005	Salomon Smith Barney		3,088,222	XXX	3,201,954	3,208,222	(6,268)					3,201,954		6,268	6,268	25,712	XXX
359710 85 7	Firstcap Municipal Copper & Gold Inc.	02/15/2005	02/15/2005	Salomon Smith Barney		548,821	XXX	588,833	649,010	(61,579)					588,833		77,488	77,488	4,750	XXX
381187 10 1	Golden Star Resources	03/09/2005	03/09/2005	Salomon Smith Barney		161,332	XXX	268,783	268,337	50,247					268,337		(105,151)	(105,151)	0	XXX
405215 10 1	Golden Star Resources	04/04/2005	04/04/2005	Salomon Smith Barney		366,920	XXX	250,862	250,862	(74,860)					250,862		18,058	18,058	1,938	XXX
593920 10 1	Luz Chemical Inc.	04/04/2005	04/04/2005	Salomon Smith Barney		355,886	XXX	345,241	345,241	(10,645)					345,241		90,446	90,446	597	XXX
595940 10 6	Marathon Oil Corp.	04/04/2005	04/04/2005	Salomon Smith Barney		221,078	XXX	194,981	173,008	(21,973)					194,981		36,056	36,056	1,288	XXX
651039 10 8	Newmont Mining Corp.	04/12/2005	04/12/2005	Salomon Smith Barney		2,115,153	XXX	2,259,155	2,311,153	(91,998)					2,311,153		113,581	113,581	5,330	XXX
691900 10 6	Pan American Silver Corp.	02/09/2005	02/09/2005	Salomon Smith Barney		2,588,705	XXX	2,588,705	2,588,705	(1,074,875)					1,513,830		130,232	130,232	415	XXX
823231 10 6	PT Telekomunikasi Indonesia	04/19/2005	04/19/2005	Salomon Smith Barney		138,200,000	XXX	138,200,000	138,200,000	(1,074,875)					138,200,000		130,232	130,232	415	XXX
842387 10 9	Southern Company	02/15/2005	02/15/2005	Salomon Smith Barney		12,833	XXX	124,059	124,059	(2,826)					124,059		3,159	3,159	608	XXX
86794P 10 9	Sunoco Inc.	02/15/2005	02/15/2005	Salomon Smith Barney		53,905	XXX	56,584	56,584	(2,679)					56,584		464,469	464,469	4,830	XXX
931402 10 9	Walmart Company	04/04/2005	04/04/2005	Salomon Smith Barney		1,331,897	XXX	1,087,229	1,315,331	(248,303)					1,087,229		143,129	143,129	809	XXX
951002 10 2	Wheaton River Minerals LTD.	04/04/2005	04/04/2005	Salomon Smith Barney		880,613	XXX	537,484	590,888	(53,414)					537,484		143,129	143,129	809	XXX
859099	Total - Common Stocks - Industrial and Miscellaneous					17,895,076	XXX	14,315,065	17,312,016	(2,983,060)	0				14,315,065	0	3,299,989	3,299,989	58,843	XXX

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's Amortization/Acquisition	Current Year's Other Than Temporary Impairment Recognized	Total Change in B/A C.V. (11-12-13)	Total Foreign Exchange Change in B/A C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	
Common Stocks - Mutual Funds																				
00309 10 7	Abendun Asia Pacific Income Fund	04/12/2005	Salomon Smith Barney	35,500,000	335,783	XXX	305,522	358,640	(54,118)			(54,118)		305,522		30,261	30,261	7,770	XXX	
018915 10 8	AllianceBernstein Value Fund	12/22/2005	Salomon Smith Barney	146,548,228	1,842,124	XXX	1,450,000	1,849,451	(399,451)			(399,451)		1,450,000		392,124	392,124	131,308	XXX	
153301 10 1	Central Fund of Canada LTD	04/13/2005	Salomon Smith Barney	70,700,000	374,048	XXX	330,191	386,723	3,462			3,462		330,191		(16,143)	(16,143)		XXX	
277811 48 3	Eaton Vance Tax Managed	12/22/2005	UBS Financial Services Inc.	105,624,788	1,123,843	XXX	1,006,860	1,072,092	(65,232)			(65,232)		1,006,860		116,983	116,983		XXX	
354728 30 5	Franklin Templeton Hard Currency	04/04/2005	Salomon Smith Barney	279,306,788	2,673,104	XXX	2,596,631	2,716,309	(177,678)			(177,678)		2,596,631		74,473	74,473	6,871	XXX	
448828 10 4	ING Clarion Global Real Estate Inc.	06/21/2005	UBS Financial Services Inc.	201,000	3,059	XXX	2,925	3,057	(132)			(132)		2,925		133	133	19	XXX	
722005 58 4	Pinco Commodity Real Return Fund	09/06/2005	UBS Financial Services Inc.	300,000,854	5,188,096	XXX	4,388,045	4,434,010	(45,965)			(45,965)		4,388,045		790,982	790,982	119,892	XXX	
78355E 77 5	Pinco Jeno Fund Advisor	04/19/2005	UBS Financial Services Inc.	27,858,051	504,970	XXX	500,000	530,808	68,302			68,302		500,000		(95,030)	(95,030)		XXX	
789554 53 8	Ridex USA	03/01/2005	UBS Financial Services Inc.	249,886,355	2,031,584	XXX	2,213,395	2,093,191	184,204			184,204		2,213,395		(18,171)	(18,171)		XXX	
78465E 10 3	UTS SPDR Total Ser I	12/21/2005	Salomon Smith Barney	10,550,000	1,352,410	XXX	1,114,573	1,275,179	(160,606)			(160,606)		1,114,573		218,237	218,237	21,857	XXX	
709595E	Total - Common Stocks - Mutual Funds				15,409,450	XXX	14,070,142	14,716,286	(646,126)			(646,126)		14,070,142		1,338,319	1,338,319	287,527	XXX	
7295957	Total - Common Stocks - Part 4				33,074,556	XXX	28,382,271	32,028,282	(3,643,058)			(3,643,058)		28,382,271		4,625,308	4,625,308	344,770	XXX	
7295958	Total - Common Stocks - Summary Item Part 5				762,578	XXX	652,271	652,271						652,271		100,708	100,708	7,433	XXX	
7295959	Total - Common Stocks				33,777,514	XXX	29,047,498	32,680,553	(3,643,058)			(3,643,058)		29,047,498		4,730,016	4,730,016	351,803	XXX	
7395958	Total - Preferred and Common Stocks				34,084,532	XXX	29,382,978	33,000,801	(3,617,823)			(3,617,823)		29,382,978		4,731,843	4,731,843	355,559	XXX	
7495958	Total - Bonds, Preferred and Common Stocks				51,780,107	XXX	44,817,233	48,563,222	(3,662,816)	4,187		(3,658,629)	(146,283)	41,755,307	128,357	6,902,441	7,031,798	1,430,339	XXX	

SCHEDULE D - PART 5

Showing all Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
CUSIP Identification	Description	For	Date	Name of Vendor	Disposal Date	Name of Purchaser	Per Value (Bonds) or Number of Shares (Stocks)	Actual Cost	Consideration	Book/ Adjusted Carrying Value at Disposal Date	Unrealized Increase/ (Decrease)	Current Year's Amortization	Current Year's Other Than Temporary Impairment Recognized	Total Change in S.A.C.V. (7+13-14)	Total Foreign Exchange Change in S.A.C.V. 15/16	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest and Dividends Received During Year	Paid for Accrued Interest and
Bonds - U.S. Government																				
300250 70	11/15/2005	11/15/2005	Wachovia Bank		12/05/2005	Wachovia Bank		379,956	379,956	379,956										
099999	Total - Bonds - U.S. Government							379,956	379,956	379,956										
099999	Total - Bonds							379,956	379,956	379,956										
Common Stocks - Industrial and Miscellaneous																				
300956 40	04/19/2005	04/19/2005	Macer		04/19/2005	Salomon Smith Barney	46,825.00	534,871	625,198	534,871										
650959	Total - Common Stocks - Industrial and Miscellaneous							534,871	625,198	534,871										
Common Stocks - Mutual Funds																				
27911 48	12/22/2005	12/22/2005	UBS Financial Services Inc.		12/22/2005	UBS Financial Services Inc.	687,560	7,268	7,316	7,268										
44802G 10	07/11/2005	07/11/2005	UBS Financial Services Inc.		08/24/2005	VARIOUS	120	120	116	120										
720035 58	08/24/2005	08/24/2005	UBS Financial Services Inc.		08/24/2005	VARIOUS	7,537,450	119,992	130,348	119,992										
709898	Total - Common Stocks - Mutual Funds							127,400	137,700	127,400										
729896	Total - Common Stocks							652,271	782,978	652,271										
729896	Total - Preferred and Common Stocks							652,271	782,978	652,271										
729899	Total - Bonds, Preferred and Common Stocks							1,042,221	1,422,534	1,042,221										

SCHEDULE D - PART 6 - SECTION 1

Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

1 CUSIP Identifi- cation	2 Description Name of Subsidiary, Controlled or Affiliated Company	3 Foreign	4 NAIC Company Code or Alien Insurer Identification Number	5 NAIC Valuation Method (See SVO Purposes and Procedures Manual)	6 Do Insurer's Assets Include Intangible Assets Connected with Holding of Such Company's Stock?	7 Total Amount of Such Intangible Assets	8 Book/Adjusted Carrying Value	Stock of Such Company Owned by Insurer on Statement Date	
								9 Number of Shares	10 % of Outstanding

1. Amount of Insurer's capital and surplus from the prior period's statutory statement reduced by any admitted EDP, goodwill and net deferred tax assets included therein: \$.....0.

2. Total amount of intangible assets nonadmitted \$.....0.

NONE**SCHEDULE D - PART 6 - SECTION 2**

1 CUSIP Identifi- cation	2 Name of Lower-Tier Company	3 Name of Company Listed in Section 1 Which Controls Lower-Tier Company	4 Total Amount of Intangible Assets Included in Amount Shown in Column 7, Section 1	Stock in Lower-Tier Company Owned Indirectly by Insurer on Statement Date	
				5 Number of Shares	6 % of Outstanding

NONE

SCHEDULE DA - PART 1

Showing all SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1	Codes 2 3 F P O R E I G N	4	5	6	7	Change in Book/Adjusted Carrying Value					12	13	Interest					20
						8	9	10	11	14			15	16	17	18	19	
Description		Date Acquired	Name of Vendor	Maturity Date	Book/ Adjusted Carrying Value					Per Value								
Exempt Money Market Mutual Funds																		
Evertgreen Instl Money Market Fund.....		12/22/2005	Weichow Bank.....	12/31/2006	-1,273							120,177						
Merrill Lynch Money Market.....		12/31/2005	Merrill Lynch.....	12/31/2006	-1,273						1,273						30	
Faina Webster Money Market.....		12/31/2005	JBS Financial Services Inc.	12/31/2006	50,751						50,751						50	
Sunith Barney FMA Money Market.....		12/31/2005	Salomon Smith Barney.....	12/31/2006	98						98						75	
Vestshore FI Money Market Inst T.....		12/30/2005	Westmore Bank.....	12/31/2006	\$9,417,822						\$9,417,822	24,559						
79999999 Total - Exempt Money Market Mutual Funds					\$9,484,944	.0	.0	.0	.0	.0	\$9,484,944	144,746	.0	.0	.0	XXX	155	.0
79999999 Total - Short-Term Investments					\$9,484,944	.0	.0	.0	.0	.0	\$9,484,944	144,746	.0	.0	.0	XXX	155	.0

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

Sch. DB-Pt. A-Sn. 2
NONE

Sch. DB-Pt. A-Sn. 3
NONE

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

Sch. DB-Pt. B-Sn. 2
NONE

Sch. DB-Pt. B-Sn. 3
NONE

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

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

Sch. DB-Pt. C-Sn. 3
NONE

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

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

Sch. DB-Pt. D-Sn. 3
NONE

Sch. DB-Pt. E-Sn. 1
NONE

SCHEDULE E - PART 1 - CASH

1	2	3	4	5	6	7
Depository	Code	Rate of Interest	Amount of Interest Received During Year	Amount of Interest Accrued December 31 of Current Year	Balance	*
Open Depositories						
Salomon Smith Barney..... Tampa, Florida.....					37	XXX
UBS Financial Services Inc..... Tampa, Florida.....					307,431	XXX
Wachovia Bank..... Tampa, Florida.....					(23,171,479)	XXX
0199999. Total - Open Depositories.....	XXX	XXX	0	0	(22,864,011)	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	0	0	(22,864,011)	XXX
0599999. Total Cash.....	XXX	XXX	0	0	(22,864,011)	XXX

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January.....	(22,014,533)	4. April.....	(13,231,103)	7. July.....	(14,670,847)	10. October.....	(11,513,041)
2. February.....	(16,505,786)	5. May.....	(12,113,658)	8. August.....	(12,462,724)	11. November.....	(7,696,074)
3. March.....	(19,560,098)	6. June.....	(11,804,614)	9. September.....	(1,900,093)	12. December.....	(22,864,011)

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

1 CUSIP Identification	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity	7 Book/Adjusted Carrying Value	8 Amount of Interest Due & Accrued	9 Gross Investment Income
------------------------------	------------------	-----------	-----------------------	--------------------------	---------------	--------------------------------------	--	---------------------------------

NONE

SCHEDULE E - PART 3 - SPECIAL DEPOSITS

1 States, Etc.	2 Type of Deposit	3 Purpose of Deposit	Deposits with the State of Domicile for the Benefit of All Policyholders		All Other Special Deposits	
			4 Book/Adjusted Carrying Value	5 Fair Value	6 Book/Adjusted Carrying Value	7 Fair Value
1. Alabama.....AL						
2. Alaska.....AK						
3. Arizona.....AZ						
4. Arkansas.....AR						
5. California.....CA						
6. Colorado.....CO						
7. Connecticut.....CT						
8. Delaware.....DE						
9. District of Columbia.....DC						
10. Florida.....FL	B	Property & Casualty.....	517,172	531,175		
11. Georgia.....GA						
12. Hawaii.....HI						
13. Idaho.....ID						
14. Illinois.....IL						
15. Indiana.....IN						
16. Iowa.....IA						
17. Kansas.....KS						
18. Kentucky.....KY						
19. Louisiana.....LA						
20. Maine.....ME						
21. Maryland.....MD						
22. Massachusetts.....MA						
23. Michigan.....MI						
24. Minnesota.....MN						
25. Mississippi.....MS						
26. Missouri.....MO						
27. Montana.....MT						
28. Nebraska.....NE						
29. Nevada.....NV						
30. New Hampshire.....NH						
31. New Jersey.....NJ						
32. New Mexico.....NM						
33. New York.....NY						
34. North Carolina.....NC						
35. North Dakota.....ND						
36. Ohio.....OH						
37. Oklahoma.....OK						
38. Oregon.....OR						
39. Pennsylvania.....PA						
40. Rhode Island.....RI						
41. South Carolina.....SC						
42. South Dakota.....SD						
43. Tennessee.....TN						
44. Texas.....TX						
45. Utah.....UT						
46. Vermont.....VT						
47. Virginia.....VA						
48. Washington.....WA						
49. West Virginia.....WV						
50. Wisconsin.....WI						
51. Wyoming.....WY						
52. American Samoa.....AS						
53. Guam.....GU						
54. Puerto Rico.....PR						
55. US Virgin Islands.....VI						
56. Canada.....CN						
57. Aggregate Other Alien.....OT	XXX	XXX	0	0	0	0
58. Total.....	XXX	XXX	517,172	531,175	0	0

DETAILS OF WRITE-INS						
5701.						
5702.						
5703.						
5798. Summary of remaining write-ins for line 57 from overflow page.....	XXX	XXX	0	0	0	0
5799. Total (Lines 5701 thru 5798+5798) (Line 57 above).....	XXX	XXX	0	0	0	0

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MAY 16 2006

QUARTERLY STATEMENT

As of March 31, 2006
of the Condition and Affairs of theFINANCIAL REVIEW
P&C INSURER SOLVENCY

Southern Family Insurance Company

NAIC Group Code.....2578, 2578
(Current Period) (Prior Period)

NAIC Company Code..... 10861

Employer's ID Number..... 59-3385558

Organized under the Laws of Florida
Incorporated/Organized..... March 1, 1996
Statutory Home Office

State of Domicile or Port of Entry Florida

Country of Domicile US

Commenced Business..... August 16, 1996

Main Administrative Office

302 Knights Run Ave., Suite #700..... Tampa FL 33602
(Street and Number) (City or Town, State and Zip Code)

Mall Address

302 Knights Run Ave., Suite #700..... Tampa FL 33602
(Street and Number) (City or Town, State and Zip Code)

Primary Location of Books and Records

302 Knights Run Ave., Suite #700..... Tampa FL 33602
(Street and Number or P. O. Box) (City or Town, State and Zip Code)

Internet Website Address

302 Knights Run Ave., Suite #700..... Tampa FL 33602
(Street and Number) (City or Town, State and Zip Code)

Statutory Statement Contact

www.pofinancialgroup.com

Jan Jacob Meder

(Name)

jmeder@posfg.com

(E-Mail Address)

Policyowner Relations Contact

302 Knights Run Ave., Suite #700..... Tampa FL 33602
(Street and Number) (City or Town, State and Zip Code)813-259-4000
(Area Code) (Telephone Number)813-259-4000
(Area Code) (Telephone Number)813-259-4000
(Area Code) (Telephone Number) (Extension)

813-259-4071

(Fax Number)

813-259-4000
(Area Code) (Telephone Number) (Extension)

OFFICERS

Name
1. William F. Poe Jr.
3. Thomas S. KrzesinskiTitle
President
SecretaryName
2. Jan Jacob Meder
4. Charles E. PoeTitle
Chief Financial Officer
Treasurer

OTHER

DIRECTORS OR TRUSTEES

James E. Wurdeman (Chairman)
Jan-J. Meder

William F. Poe

William F. Poe Jr.

Charles E. Poe

State of..... Florida
County of..... Hillsborough

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)
William F. Poe Jr.
1. (Printed Name)
President
(Title)

(Signature)
Jan Jacob Meder
2. (Printed Name)
Chief Financial Officer
(Title)

(Signature)
Thomas S. Krzesinski
3. (Printed Name)
Secretary
(Title)

Subscribed and sworn to before me

This 12th day of May, 2006
Brandi L. McGhee

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



Brandi L. McGhee
My Commission DD283432
Expires February 16, 2008

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PLEASE USE OUTCARD

2006 12:24:33 PM

ASSETS

	Current Statement Date			December 31 Prior Year Net Admitted Assets
	1. Assets	2. Nonadmitted Assets	3. Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	517,060		517,060	517,172
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 (\$.....35,834,603), cash equivalents (\$.....0) and short-term investments (\$.....151,505,850).....	115,672,247		115,672,247	36,600,894
6. Contract loans (including \$.....0 premium notes).....			0	
7. Other invested assets.....	725,073	725,073	0	2,410,134
8. Receivables for securities.....			0	
9. Aggregate write-ins for invested assets.....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	116,914,360	725,073	116,189,307	39,528,240
11. Title Plants less \$.....0 charged off (for Title Insurers only).....			0	
12. Investment income due and accrued.....	84,439		84,439	160,913
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection.....	(569,976)		(569,976)	8,117,293
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
13.3 Accrued retrospective premiums.....			0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	(61,696,398)		(61,696,398)	12,096,327
14.2 Funds held by or deposited with reinsured companies.....			0	
14.3 Other amounts receivable under reinsurance contracts.....			0	
15. Amounts receivable relating to uninsured plans.....			0	
16.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
16.2 Net deferred tax asset.....	16,093,151	16,388,234	1,704,917	1,628,126
17. Guaranty funds receivable or on deposit.....			0	
18. Electronic data processing equipment and software.....			0	
19. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
21. Receivables from parent, subsidiaries and affiliates.....	2,821,717		2,821,717	
22. Health care (\$.....0) and other amounts receivable.....			0	
23. Aggregate write-ins for other than invested assets.....	3,982,718	0	3,982,718	12,350,963
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	79,820,031	17,113,307	62,506,724	71,783,862
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
26. TOTALS (Lines 24 and 25).....	79,820,031	17,113,307	62,506,724	71,783,862

DETAILS OF WRITE-INS

0901.....			0	
0902.....			0	
0903.....			0	
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0	0
0998. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	0	0	0	0
2301. Other Receivables.....	550,768		550,768	435,641
2302. Assessments Recoverable.....	3,441,960		3,441,960	11,916,322
2303.....			0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2398. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	3,982,718	0	3,982,718	12,350,963

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....888,277).....	18,584,700	23,862,608
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....	(3,138,533)	878,612
4. Commissions payable, contingent commission and other similar charges.....		
5. Other expenses (excluding taxes, licenses and fees).....	273,322	222,282
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	1,158,537	927,000
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....		
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....62,205,724 and including warranty reserves of \$.....0).....	26,189,330	16,936,944
10. Advance premium.....		
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	34,198,517	12,413,173
13. Funds held by company under reinsurance treaties.....	1,337	10,523,188
14. Amounts withheld or retained by company for account of others.....	67,465	118,961
15. Reimbursements and items not allocated.....		
16. Provision for reinsurance.....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....		
20. Payable for securities.....		1,389,161
21. Liability for amounts held under uninsured plans.....		
22. Capital notes \$.....0 and interest thereon \$.....0.....		
23. Aggregate write-ins for liabilities.....	0	0
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23).....	77,324,675	67,271,829
25. Protected cell liabilities.....		
26. Total liabilities (Lines 24 and 25).....	77,324,675	67,271,829
27. Aggregate write-ins for special surplus funds.....	0	0
28. Common capital stock.....	100	100
29. Preferred capital stock.....		
30. Aggregate write-ins for other than special surplus funds.....	0	0
31. Surplus notes.....		
32. Gross paid in and contributed surplus.....	55,846,716	65,846,716
33. Unassigned funds (surplus).....	(70,664,767)	(51,334,783)
34. Less treasury stock, at cost:		
34.1 .....0.000 shares common (value included in Line 28 \$.....0).....		
34.2 .....0.000 shares preferred (value included in Line 29 \$.....0).....		
35. Surplus as regards policyholders (Lines 27 to 33, less 34).....	(14,817,051)	4,512,033
36. TOTALS.....	62,506,724	71,783,862

DETAILS OF WRITE-INS

2301.		
2302.		
2303.		
2388. Summary of remaining write-ins for Line 23 from overflow page.....	0	0
2399. Totals (Lines 2301 thru 2303 plus 2388) (Line 23 above).....	0	0
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page.....	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above).....	0	0
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page.....	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 58,324,476)	39,662,777	44,316,531	162,050,696
1.2 Assumed (written \$ 0)			
1.3 Ceded (written \$ 45,669,593)	34,709,885	31,223,928	127,173,359
1.4 Net (written \$ 13,654,883)	4,952,892	13,092,603	35,886,526
DEDUCTIONS:			
2. Losses Incurred (current accident year \$ 1,028,828):			
2.1 Direct	82,977,581	35,909,816	531,463,204
2.2 Assumed		5,961	4,960
2.3 Ceded	48,187,771	38,404,210	487,825,476
2.4 Net	13,789,810	5,511,667	43,842,888
3. Loss expenses incurred	(2,469,818)	(723,581)	2,064,419
4. Other underwriting expenses incurred	14,019,132	750,943	9,977,907
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	26,348,126	6,538,829	55,885,014
7. Net income of protected cells	(20,386,234)	7,553,876	(20,198,486)
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)			
INVESTMENT INCOME			
9. Net investment income earned	554,928	445,842	2,004,328
10. Net realized capital gains (losses) less capital gains tax of \$ 0	312,150	1,775,107	7,878,759
11. Net investment gain (loss) (Lines 9 + 10)	867,078	2,220,949	9,883,087
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ 0)	0	0	0
13. Finance and service charges not included in premiums	0	0	0
14. Aggregate write-ins for miscellaneous income	0	0	89,739
15. Total other income (Lines 12 through 14)	0	0	89,739
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(18,520,158)	9,774,625	(10,225,680)
17. Dividends to policyholders			
18. Net income after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(18,520,158)	9,774,625	(10,225,680)
19. Federal and foreign income taxes incurred	(992,204)	968,008	439,731
20. Net income (Line 18 minus Line 19) (to Line 22)	(19,512,362)	8,806,617	(10,665,411)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	4,312,033	18,770,713	18,770,713
22. Net income (from Line 20)	(19,512,362)	8,806,617	(10,665,411)
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or losses less capital gains tax of \$ 0	(244,748)	(700,107)	(2,687,117)
25. Change in net unrealized foreign exchange capital gain (loss)		(146,283)	(95,084)
26. Change in net deferred income tax	(2,739,033)	(1,843,417)	4,727,192
27. Change in nonadmitted assets	2,190,761	440,838	(11,541,280)
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			6,000,000
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	(19,329,964)	8,757,648	(14,265,690)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	(14,917,951)	25,528,361	4,512,033
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0
1401. Miscellaneous income	0	0	0
1402.			89,739
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	89,739
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above)	0	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	42,707,891	23,286,941
2. Net investment income.....	631,512	2,205,128
3. Miscellaneous income.....		89,739
4. Total (Lines 1 through 3).....	43,339,404	25,581,808
5. Benefit and loss related payments.....	(64,707,007)	84,972,579
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	15,293,784	13,887,496
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) \$..... 0 net tax on capital gains (losses).....	(992,204)	(28,447,213)
10. Total (Lines 5 through 9).....	(40,406,427)	82,412,864
11. Net cash from operations (Line 4 minus Line 10).....	83,744,831	(56,831,056)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....		17,705,285
12.2 Stocks.....		34,084,822
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....	1,822,462	8,015,293
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		(36,540)
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	1,822,462	57,768,880
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....		897,186
13.2 Stocks.....		662,271
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....	70,000	390,000
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	70,000	1,949,457
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	1,752,462	65,819,403
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		8,000,000
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).....	(6,425,980)	(17,817)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(6,425,980)	5,982,183
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).....	79,071,313	4,970,530
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	39,600,934	31,630,403
19.2 End of period (Line 18 plus Line 19.1).....	115,672,247	36,600,934

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

20,000

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

The accompanying financial statements of the Southern Family Insurance Company have been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners Annual Statement Instructions and Accounting Practices and Procedures Manual and the State of Florida.

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

No significant change.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change.

Note 10 - Information Concerning Parent, Subsidiaries and Affiliates

No significant change.

Note 11 - Debt

No significant change.

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

No significant change.

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

No significant change.

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

NOTES TO FINANCIAL STATEMENTS

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

No significant change.

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

C. Wash Sales - Not applicable.

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

No significant change.

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

No significant change.

Note 20 - September 11 Events

No significant change.

Note 21 - Other Items

A. Agents Balance Certification:

(1) Agents' Balances or Uncollected Premiums per Statement- before reduction for ceded reinsurance balance payable	\$ (589,976)
(2) Premiums collected from "Controlled" or "Controlling" persons	\$ (589,976)
(3) Premiums Collected by "Controlled" or "Controlling" Person within 15 working days immediately preceding reporting period	\$ 6,508,127

Amount of Applicable:

(4) Trust Fund	\$ 0
(5) Letter of Credit	-0-
(6) Financial Guaranty Bond	-0-
(7) Total of Lines (4), (5), & (6)	\$ 0
(2) minus (3) minus (7); should not exceed zero	-0-

*B. Special Disability Trust Fund Reporting Form
(Section 625.091, Florida Statutes)*

1. List the amount of credit taken for Special Disability Trust Fund recoveries by the insurer in the determination of its loss reserves for:

The prior calendar year: -0-

The current reporting period on a year-to-date basis: -0-

2. List the amount of payments received by the insurer from the Special Disability Trust Fund for:

The prior calendar year: -0-

The current year-to-date: -0-

3. List the amount assessed by the Special Disability Trust Fund for:

The prior calendar year: -0-

The current calendar year: -0-

NOTES TO FINANCIAL STATEMENTS

Note 22 - Events Subsequent

As reported in its December 31, 2005 annual statement, the Company's capital and surplus at that date was below risk based capital levels. The Company has been unable to obtain additional capital. In response the Company voluntarily stopped writing new and renewal business in March 2006 and consented to go into rehabilitation under the direction of the Florida Department of Financial Services (DFS) effective April 25, 2006. The Company is continuing to operate in rehabilitation and the DFS has filed a petition to place the Company in liquidation by June 1, 2006.

The Company has suffered extensive losses from eight hurricanes that struck Florida in 2004 and 2005. In connection with the completion of an extensive actuarial review of hurricane losses and further adverse loss development in 2006 from hurricane Wilma, it was necessary to increase losses recorded in the first quarter of 2006.

In addition, the cessation of premium writings has decreased the amount of Citizens assessments recoverable. The assessments were paid by the Company to Citizens in September 2005 and were to be recovered by premium surcharges to policyholders over a year period from February 1, 2006 to January 31, 2007. Without further premium writings the Company estimates \$6.9 million of assessments will not be recovered and has written down its assets by that amount.

The unprofitable operations of the Company over the last two years, particularly the payment of hurricane claims, have exhausted the capital and surplus of the company. The impact of the additional hurricane losses and assessment write downs in the first quarter has created a deficit in capital and surplus as of March 31, 2006.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

No significant change.

Note 26 - Intercompany Pooling Arrangements

No significant change.

Note 27 - Structured Settlements

No significant change.

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Accident and Health Policies

No significant change.

Note 30 - Premium Deficiency Reserves

No significant change.

Note 31 - High Deductibles

No significant change.

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

No significant change.

Note 33 - Asbestos and Environmental Reserves

NOTES TO FINANCIAL STATEMENTS

No significant change.

Note 34 - Subscriber Savings Accounts

No significant change.

Note 35 - Multiple Peril Crop Insurance

No significant change.

GENERAL INTERROGATORIES

(Responses to these Interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

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 ☒
- 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 ☒
- 2.2 If yes, date of change:
3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes ☐ No ☒
If yes, complete the Schedule Y-Part 1 - Organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes ☐ No ☒
- 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	2	3
Name of Entity	NAIC Company Code	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? If yes, attach an explanation. Yes ☐ No ☒ N/A ☐

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2005.....
- 6.2 State 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. 12/31/2002.....
- 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). 06/07/2004.....
- 6.4 By what department or departments?

Florida Office of Insurance Regulation

- 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 ☐
- 7.2 If yes, give full information:
The Company was placed into rehabilitation on April 26, 2006. See Note 22 herein.

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes ☐ No ☒
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes ☐ No ☒
- 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 Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)) and identify the affiliate's primary federal regulator.

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

FINANCIAL

- 9.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes ☒ No ☐
- 9.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. \$.....0

INVESTMENT

- 10.1 Has there been any change in the reporting entity's own preferred or common stock? Yes ☐ No ☒
- 10.2 If yes, explain:
- 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 ☒
- 11.2 If yes, give full and complete information relating thereto:
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 ☒

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Statement 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 Mortgages, Loans or 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?
If no, attach a description with this statement.

Yes [] No []

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1-General, Section IV, H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes [X] No []

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

1 Name of Custodian(s)	2 Custodian Address
Wachovia Trust Department	225 Water St., 5th Floor, Jacksonville, FL 32202
Sekinson Smith Barney	100 N. Tampa St., Suite 3000, Tampa, FL 33602
UBS Financial Services	100 S. Ashley Dr., Suite 1800, Tampa, FL 33601
Raymond James & Associates, Inc.	100 N. Tampa St., Suite 2400, Tampa, FL 33602
Merrill Lynch	201 N. Franklin Street, Suite 3500, Tampa, FL 33602

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

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes [] No [X]

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

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

16.5 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 Central Registration Depository	2 Name(s)	3 Address
104594	Robert Schumacher	225 Water St., 5th Floor, Jacksonville, FL 32202
328646	Graham McKeel	100 N. Tampa St., Suite 3000, Tampa, FL 33602
738175	Andrew Cappello	100 N. Tampa St., Suite 3000, Tampa, FL 33602
1264977	Christie Roberts	100 N. Tampa St., Suite 3000, Tampa, FL 33602
1556778	Steve Murray	100 S. Ashley Dr., Suite 1800, Tampa, FL 33601
1081446	Lewis Mark Carron	100 N. Tampa St., Suite 2400, Tampa, FL 33602
7691	Michael D. Valdes	201 N. Franklin St., Suite 3500, Tampa, FL 33602

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

Yes [X] No []

17.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2

PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or this reporting entity's participation change?
If yes, attach an explanation.

Yes ☐ No ☐ N/A ☒

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

Yes ☐ No ☒

- 3.1 Have any of the reporting entity's primary reinsurance contracts been canceled?

Yes ☐ No ☒

- 3.2 If yes, give full and complete information thereto:

- 4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation liabilities tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of "tabular reserves") discounted at a rate of interest greater than zero?

Yes ☐ No ☒

- 4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Disc. Rate	Total Discount				Discount Taken During Period			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 Total	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 Total
Total	XXX	XXX	0	0	0	0	0	0	0	0

Statement for March 31, 2005 of the **Southern Family Insurance Company**
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. Increase (decrease) by adjustment.....		
3. Cost of acquired.....		
4. Cost of additions to and permanent improvements.....		
5. Total profit (loss) on sales.....		
6. Increase (decrease) by foreign exchange adjustment.....		
7. Amount received on sales.....		
8. Book/adjusted carrying value at end of current period.....	0	0
9. Total valuation allowance.....		
10. Subtotal (Lines 8 plus 9).....	0	0
11. Total nonadmitted amounts.....		
12. Statement value, current period (Page 2, real estate lines, net admitted assets column).....	0	0

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year.....	0	
2. Amount loaned during period:		
2.1 Actual cost at time of acquisitions.....		
2.2 Additional investment made after acquisitions.....		
3. Accrual of discount and mortgage interest points and commitment fees.....		
4. Increase (decrease) by adjustment.....		
5. Total profit (loss) on sale.....		
6. Amounts paid on account or in full during the period.....		
7. Amortization of premium.....		
8. Increase (decrease) by foreign exchange adjustment.....		
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period.....	0	0
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	0	0
12. Total nonadmitted amounts.....		
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, net admitted assets column).....	0	0

SCHEDULE BA - VERIFICATION

Other Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year.....	2,410,134	7,632,621
2. Cost of acquisitions during period:		
2.1 Actual cost at time of acquisitions.....	70,000	390,000
2.2 Additional investment made after acquisitions.....		
3. Accrual of discount.....		
4. Increase (decrease) by adjustment.....	(244,748)	(468,209)
5. Total profit (loss) on sale.....	312,150	871,116
6. Amounts paid on account or in full during the period.....	1,822,462	6,016,283
7. Amortization of premium.....		
8. Increase (decrease) by foreign exchange adjustment.....		
9. Book adjusted/carrying value of long-term invested assets at end of current period.....	725,073	2,410,134
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	725,073	2,410,134
12. Total nonadmitted amounts.....	725,073	
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3).....	0	2,410,134

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.....	517,170	47,636,984
2. Cost of bonds and stocks acquired.....		1,559,467
3. Accrual of discount.....		328
4. Increase (decrease) by adjustment.....		(3,862,813)
5. Increase (decrease) by foreign exchange adjustment.....		(146,283)
6. Total profit (loss) on disposal.....		7,031,796
7. Consideration for bonds and stocks disposed of.....		51,790,107
8. Amortization of premium.....	112	11,190
9. Book/adjusted carrying value, current period.....	517,058	517,170
10. Total valuation allowance.....		
11. Subtotal (Lines 9 plus 10).....	517,058	517,170
12. Total nonadmitted amounts.....		
13. Statement value.....	517,058	517,170

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity

During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1	59,982,117	607,475,406	515,433,501	(112)	152,023,910			59,982,117
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	59,982,117	607,475,406	515,433,501	(112)	152,023,910			59,982,117
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock	59,982,117	607,475,406	515,433,501	(112)	152,023,910			59,982,117

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	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
8289998, Totals	151,506,850	XXX	151,506,850	729,260	

SCHEDULE DA - PART 2 - Verification

Short-Term Investments Owned

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	59,464,945	53,848,368
2. Cost of short-term investments acquired	807,475,408	422,217,845
3. Increase (decrease) by adjustment		
4. Increase (decrease) by foreign exchange adjustment		
5. Total profit (loss) on disposal of short-term investments		
6. Consideration received on disposal of short-term investments	515,433,501	416,401,269
7. Book/adjusted carrying value, current period	151,506,850	59,464,945
8. Total valuation allowances		
9. Subtotal (Lines 7 plus 8)	151,506,850	59,464,945
10. Total nonadmitted amounts		
11. Statement value (Lines 9 minus 10)	151,506,850	59,464,945
12. Income collected during period	1,356,036	797,503
13. Income earned during period	1,287,854	861,826

Sch. DB-Part F-Section 1
NONE

Sch. DB-Part F-Section 2
NONE

Sch. F
NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

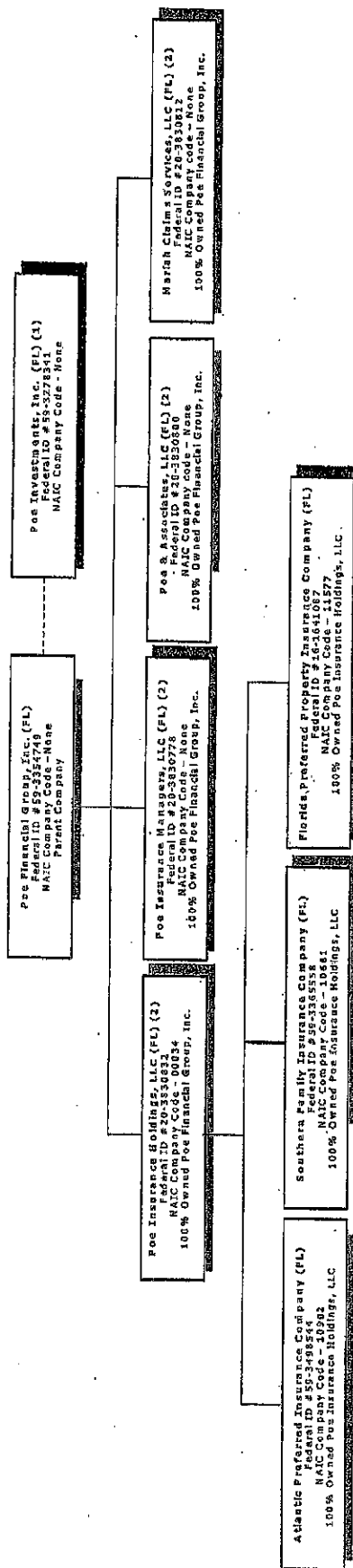
1 States, Etc.	2 Is Insurer Licensed? (Yes or No)	3 Direct Premiums Written		4 Direct Losses Paid (Deducting Salvage)		5 Direct Losses Unpaid	
		Current Year to Date	Prior Year to Date	Current Year to Date	Prior Year to Date	Current Year to Date	Prior Year to Date
1. Alabama.....AL	NO						
2. Alaska.....AK	NO						
3. Arizona.....AZ	NO						
4. Arkansas.....AR	NO						
5. California.....CA	NO						
6. Colorado.....CO	NO						
7. Connecticut.....CT	NO						
8. Delaware.....DE	NO						
9. District of Columbia.....DC	NO						
10. Florida.....FL	YES	58,324,478	50,885,392	145,256,815	85,334,165	382,910,814	45,936,849
11. Georgia.....GA	NO						
12. Hawaii.....HI	NO						
13. Idaho.....ID	NO						
14. Illinois.....IL	NO						
15. Indiana.....IN	NO						
16. Iowa.....IA	NO						
17. Kansas.....KS	NO						
18. Kentucky.....KY	NO						
19. Louisiana.....LA	NO						
20. Maine.....ME	NO						
21. Maryland.....MD	NO						
22. Massachusetts.....MA	NO						
23. Michigan.....MI	NO						
24. Minnesota.....MN	NO						
25. Mississippi.....MS	NO						
26. Missouri.....MO	NO						
27. Montana.....MT	NO						
28. Nebraska.....NE	NO						
29. Nevada.....NV	NO						
30. New Hampshire.....NH	NO						
31. New Jersey.....NJ	NO						
32. New Mexico.....NM	NO						
33. New York.....NY	NO						
34. North Carolina.....NC	NO						
35. North Dakota.....ND	NO						
36. Ohio.....OH	NO						
37. Oklahoma.....OK	NO						
38. Oregon.....OR	NO						
39. Pennsylvania.....PA	NO						
40. Rhode Island.....RI	NO						
41. South Carolina.....SC	NO						
42. South Dakota.....SD	NO						
43. Tennessee.....TN	NO						
44. Texas.....TX	NO						
45. Utah.....UT	NO						
46. Vermont.....VT	NO						
47. Virginia.....VA	NO						
48. Washington.....WA	NO						
49. West Virginia.....WV	NO						
50. Wisconsin.....WI	NO						
1. Wyoming.....WY	NO						
52. American Samoa.....AS	NO						
53. Guam.....GU	NO						
54. Puerto Rico.....PR	NO						
55. US Virgin Islands.....VI	NO						
56. Northern Mariana Islands.....MP	Invalid						
57. Canada.....CN	NO						
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
59. Totals	(a) 1	58,324,478	50,885,392	145,256,815	85,334,165	382,910,814	45,936,849

DETAILS OF WRITE-INS

5801	XXX						
5802	XXX						
5803	XXX						
5808. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0
5809. Totals (Lines 5801 thru 5803 + Line 5808) (Line 68 above)	XXX	0	0	0	0	0	0

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

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



(1) Poe Investments, Inc. is a subsidiary of Poe Financial Group, Inc., but has a common shareholder.
(2) Poe Insurance Holdings, LLC, Poe Insurance Managers, LLC, Poe & Associates, LLC, and Marsh China Services, LLC converted from S-Corporations to limited liability corporations in November of 2009.

PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	5,320,169	859,218	12.4	(5.6)
2. Allied lines	25,809,358	50,206,999	194.5	68.4
3. Farmowners multiple peril			0.0	
4. Homeowners multiple peril	8,022,956	11,792,471	147.0	176.3
5. Commercial multiple peril		(17,642)	0.0	
6. Mortgage guaranty			0.0	
7. Ocean marine			0.0	
8. Inland marine			0.0	
10. Financial guaranty			0.0	
11.1. Medical malpractice-occurrence			0.0	
11.2. Medical malpractice-claims made			0.0	
12. Earthquake			0.0	
13. Group accident and health			0.0	
14. Credit accident and health			0.0	
16. Other accident and health			0.0	
16. Workers' compensation			0.0	
17.1. Other liability-occurrence			0.0	
17.2. Other liability-claims made	87,658	250,000	285.2	
18.1. Products liability-occurrence			0.0	
18.2. Products liability-claims made			0.0	
19.1, 19.2 Private passenger auto liability			0.0	
19.3, 19.4 Commercial auto liability			0.0	
21. Auto physical damage			0.0	
22. Aircraft (all perils)			0.0	
23. Fidelity			0.0	
24. Surety			0.0	
26. Burglary and theft			0.0	
27. Boiler and machinery	422,848	88,436	20.5	15.5
28. Credit			0.0	
29. International			0.0	
30. Reinsurance-nonproportional assumed property	XXX	XXX	XXX	XXX
31. Reinsurance-nonproportional assumed liability	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed financial lines	XXX	XXX	XXX	XXX
33. Aggregate write-ins for other lines of business	0	0	0.0	XXX
34. Totals	39,662,777	62,977,581	158.8	87.8
DETAILS OF WRITE-INS				
3301.			0.0	
3302.			0.0	
3303.			0.0	
3398. Sum. of remaining write-ins for Line 33 from overflow page	0	0	0.0	XXX
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33)	0	0	0.0	

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	9,185,691	9,185,691	7,803,899
2. Allied lines	40,162,476	40,162,476	34,047,025
3. Farmowners multiple peril			
4. Homeowners multiple peril	9,236,036	9,236,036	8,218,977
5. Commercial multiple peril			
6. Mortgage guaranty			
7. Ocean marine			
8. Inland marine			
10. Financial guaranty			
11.1. Medical malpractice-occurrence			
11.2. Medical malpractice-claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
16. Other accident and health			
16. Workers' compensation			
17.1. Other liability-occurrence			
17.2. Other liability-claims made	87,196	87,196	84,232
18.1. Products liability-occurrence			
18.2. Products liability-claims made			
19.1, 19.2 Private passenger auto liability			
19.3, 19.4 Commercial auto liability			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery	613,079	613,079	731,258
28. Credit			
29. International			
30. Reinsurance-nonproportional assumed property	XXX	XXX	XXX
31. Reinsurance-nonproportional assumed liability	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed financial lines	XXX	XXX	XXX
33. Aggregate write-ins for other lines of business	0	0	0
34. Totals	59,324,476	59,324,476	50,886,392
DETAILS OF WRITE-INS			
3301.			
3302.			
3303.			
3398. Sum. of remaining write-ins for Line 33 from overflow page	0	0	0
3399. Totals (Lines 3301 thru 3303 plus 3398) (Line 33)	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2006 Loss and LAE Payments on Claims Reported as of Prior Year-End	2006 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2006 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings) Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings) Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserves Developed (Savings) Deficiency (Cols. 11 + 12)
1. 2003 + Prior	822	797	1,619	84		84	651	13	486	1,152	113	(286)	(183)
2. 2004	3,803	890	4,693	5,143	3	5,146	7,822	14	698	8,334	3,357	(146)	3,812
3. Subtotals 2004 + Prior	9,430	1,657	11,087	5,227	3	5,230	8,273	27	1,186	9,486	4,070	(441)	3,629
4. 2005	12,712	942	13,654	14,737	584	15,271	2,087	1,261	1,539	4,887	4,112	2,392	6,504
5. Subtotals 2005 + Prior	22,142	2,599	24,741	19,964	537	20,501	10,360	1,288	2,725	14,373	8,182	1,951	10,133
6. 2006	XXX	XXX	XXX	XXX	143	143	XXX	484	579	1,064	XXX	XXX	XXX
7. Totals	22,142	2,599	24,741	19,964	680	20,644	10,360	1,772	3,295	15,427	8,182	1,951	10,133
8. Prior Year-End's Surplus As Regards Policyholders	4,512												
											Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. 37.0 %	2. 76.1 %	3. 41.0 %
													Col. 13, Line 7
													4. 224.6 %

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 Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?

NO

2. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed with this statement?

NO

Explanation:

Bar Code:



Overflow Page
NONE

Sch. A-Part 2
NONE

Sch. A-Part 3
NONE

Sch. B-Part 1
NONE

Sch. B-Part 2
NONE

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets ACQUIRED During the Current Quarter

1	2	3		4	5	6	7	8	9	10	11	12	13	14	15	16
CUSIP Identification	Name or Description	Location	City	State	Name of Vendor or General Partner	NAIC Description	Date Originally Acquired	Type and Strategy	Actual Cost	Amount of Encumbrances	Book/Adjusted Carrying Value Less Encumbrances	Fair Value	Increase (Decrease) by Adjustment	Increase Proposed by Foreign Exchange Adjustment	Commitment for Additional Investment	Percentage of Ownership
Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated																
15999999	UBS Real Estate Opportunity Fund LLC	New York		NY	UBS Financial services Inc.		01/27/2006		70,000		70,000	70,000			240,000	6.6
31599999	Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Other - Unaffiliated								70,000	0	70,000	70,000	0	0	240,000	
31599999	Subtotal - Unaffiliated								70,000	0	70,000	70,000	0	0	240,000	
31599999	Totals								70,000	0	70,000	70,000	0	0	240,000	

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets SOLD, Transferred or Paid in Full During the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
		Location												
CUSIP Identification	Name or Description		City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration Received	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal
Joint Venture or Partnership Interests That Have Underlying Characteristics of Common Stocks - Unaffiliated														
159999	Total Joint Ventures or Partnerships	FL	St. Petersburg	FL	Raymond James & Associates, Inc.	05/01/2003	1,755,060	(24,748)	0	1,510,313	1,822,462	0	312,150	312,150
319999	Total Joint Ventures or Partnerships	FL	St. Petersburg	FL	Raymond James & Associates, Inc.	05/01/2003	1,755,060	(24,748)	0	1,510,313	1,822,462	0	312,150	312,150
319999	Total Joint Ventures or Partnerships	FL	St. Petersburg	FL	Raymond James & Associates, Inc.	05/01/2003	1,755,060	(24,748)	0	1,510,313	1,822,462	0	312,150	312,150
319999	Total Joint Ventures or Partnerships	FL	St. Petersburg	FL	Raymond James & Associates, Inc.	05/01/2003	1,755,060	(24,748)	0	1,510,313	1,822,462	0	312,150	312,150

SCHEDULE D - PART 3

Show all Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAC Designation or Market Indicator (a)

(a) For all common stock bearing the NAC market indicator "U" provide the number of such issues.

NONE

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Disposition	Date	Name of Purchaser	Number of Shares of Stock	Consideration	Per Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/Decrease	Current Year's (Amortization)/Acquisition	Current Year's Other Than Temporary Impairment Recognized	Total Change in B.A.C.V. (1)-(12)-(13)	Total Foreign Exchange Change in B.A.C.V.	Book/Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAC Designation or Market Indicator
Common Stocks - Mutual Funds																					
78452F 10	3 LITS SPQR Trust Ser 1		1/19/2005	Salomon Smith Barney			XXX														
709559	Total - Common Stocks - Mutual Funds						XXX														
729597	Total - Common Stocks - Part 2						XXX														
729597	Total - Common Stocks						XXX														
739599	Total - Preferred and Common Stocks						XXX														
749599	Total - Bonds, Preferred and Common Stocks						XXX														

(a) For all common stock bearing the NAC market indicator "F" provide the number of such issues.

Sch. DB-Part A-Section 1
NONE

Sch. DB-Part B-Section 1
NONE

Sch. DB-Part C-Section 1
NONE

Sch. DB-Part D-Section 1
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
					First Month	Second Month	Third Month	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date				*
Open Depositories								
Salomon Smith Barney	Tampa, Florida				7,123	7,123	7,123	XXX
UBS Financial Services Inc.	Tampa, Florida				(857,000)			XXX
Wachovia Bank	Tampa, Florida				(42,179,355)	(31,053,169)	(35,841,726)	XXX
0199999, Total Open Depositories		XXX	XXX	0	(42,529,233)	(31,076,046)	(35,834,603)	XXX
0399998, Total Cash on Deposit		XXX	XXX	0	0	(31,076,046)	(35,834,603)	XXX
0599998, Total Cash		XXX	XXX	0	(42,529,233)	(31,076,046)	(35,834,603)	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned at End of Current Quarter

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Gross Investment Income

NONE