

ASSETS
(\$'000)

Page			Current Year 01	Prior Year 03
	Cash.....	01	5,194	454
	Investment Income due and accrued.....	02	44	26
	Investments:			
	Term Deposits.....	04	0	525
	Bonds and Debentures	05	2,539	3,046
	Mortgage Loans	06	0	0
	Preferred Shares.....	07	577	214
	Common Shares.....	08	278	215
40.70	Real Estate.....	09	0	0
40.80	Other Investments.....	10	0	0
<u>40.01</u> or/ou 40.10	Total Investments (lines 04 to 10).....	19	3,394	4,000
	Receivables:			
50.20	Unaffiliated Agents and Brokers	20	1,192	1,130
	Policyholders.....	21	0	0
	Instalment Premiums.....	22	0	0
50.30	Other Insurers.....	23	791	107
	"Facility Association" and the "P.R.R.".....	24	0	0
50.40	Subsidiaries, Affiliates and Partnerships	25	46	1,930
	Income Taxes.....	26	0	0
50.20	Other Receivables.....	27	0	0
	Recoverable from Reinsurers:			
60.10	Unearned Premiums.....	30	777	800
60.30	Unpaid Claims and Adjustment Expenses.....	31	2,042	883
	Other Recoverables on Unpaid Claims.....	37	0	0
50.40	Investment in Subsidiaries, Affiliates & Partnerships.....	40	0	0
40.70	Real Estate for Insurer's own use.....	41	0	0
	Deferred Policy Acquisition Expenses.....	43	262	482
	Future Income Taxes.....	44	0	0
50.50	Other Assets.....	88	88	751
	TOTAL ASSETS.....	89	13,830	10,563

CANADIAN FARM INSURANCE CORP.

Insurer

2009
Year**LIABILITIES AND EQUITY**
(\$'000)

Page			Current Year 01	Prior Year 03
	LIABILITIES			
	Overdrafts.....	01		0
	Borrowed Money and Accrued Interest	02		0
	Payables:			
<u>50.20</u>	Unaffiliated Agents and Brokers	03	<u>102</u>	133
	Policyholders.....	04		0
<u>50.30</u>	Other Insurers.....	05	<u>126</u>	654
<u>50.40</u>	Subsidiaries, Affiliates and Partnerships	06	<u>324</u>	0
	Expenses due and accrued.....	07	186	137
	Income Taxes due and accrued.....	08	0	0
	Other Taxes due and accrued.....	09	568	433
	Policyholder Dividends and Rating Adjustments.....	10		0
<u>40.70</u>	Encumbrances on Real Estate.....	11	<u>0</u>	0
<u>60.10</u>	Unearned Premiums.....	12	<u>3,441</u>	3,640
<u>60.30</u>	Unpaid Claims and Adjustment Expenses.....	13	<u>5,067</u>	2,752
<u>80.10</u>	Unearned Commissions.....	14	<u>155</u>	161
	Premium Deficiency.....	15	<u>0</u>	0
	Future Income Taxes.....	21		0
<u>50.50</u>	Other Liabilities.....	28	<u>43</u>	0
	Total Liabilities.....	29	10,012	7,910
	EQUITY			
	Shares issued and paid.....	41	<u>6,480</u>	5,088
	Contributed Surplus.....	42	<u>3,293</u>	0
	43		0
<u>20.40</u>	Retained Earnings.....	44	<u>(5,955)</u>	<u>(2,435)</u>
<u>20.40</u>	Reserves.....	45	<u>0</u>	<u>0</u>
<u>20.42</u>	Accumulated Other Comprehensive Income (Loss)	47	0	0
	Total Equity.....	49	3,818	2,653
	TOTAL LIABILITIES AND EQUITY.....	89	13,830	10,563

STATEMENT OF INCOME
(\$'000)

Page			Current Year 01	Prior Year 03
	UNDERWRITING OPERATIONS			
	Premiums Written			
	Direct.....	01	15,564	15,298
70.21	Reinsurance Assumed.....	02	0	0
70.21	Reinsurance Ceded.....	03	11,078	9,192
60.20	Net Premiums Written.....	04	4,486	6,106
	Decrease (increase) in Net Unearned Premiums.....	05	175	(1,847)
60.20	Net Premiums Earned.....	06	4,661	4,259
	Service Charges.....	07	0	0
	Other.....	08		0
	Total Underwriting Revenue.....	09	4,661	4,259
60.20	Net Claims and Adjustment Expenses.....	10	5,328	2,897
	Acquisition Expenses			
80.10	Commissions.....	11	711	204
	Taxes.....	12	510	304
80.20	Other.....	14	508	781
80.20	General Expenses.....	16	951	1,019
	Total Claims and Expenses.....	19	8,008	5,205
	Premium Deficiency Adjustments.....	20		0
40.07 or/ou 40.10	Underwriting Income (Loss).....	29	(3,347)	(946)
	INVESTMENT OPERATIONS			
	Income.....	32	211	40
	Realized Gains (Losses).....	33	205	(10)
	Expenses.....	34		0
	Net Investment Income.....	39	416	30
	OTHER REVENUE AND EXPENSES			
	Income (Loss) from Ancillary Operations (net of Expenses of \$'000.....)	40		0
	Share of Net Income (Loss) of Subsidiaries and Affiliates.....	41		0
	Gain (losses) from fluctuations in Foreign Exchange Rates.....	42		0
	Other.....	43		0
	Net Income (Loss) before Income Taxes and Extraordinary Items.....	49	(2,931)	(916)
	INCOME TAXES			
	Current.....	50		0
	Future.....	51		0
	Total Income Taxes.....	59	0	0
	Extraordinary Items (net of Income Taxes of \$'000.....)	60		0
	NET INCOME (LOSS) FOR THE YEAR.....	89	(2,931)	(916)

STATEMENT OF RETAINED EARNINGS
(\$'000)

Page			Current Year 01	Prior Year 02
	Balance at beginning of year	01	(2,435)	(1,519)
	Prior period adjustments:.....	02	0	0
	04	0	0
	Adjusted balance at beginning of year.....	09	(2,435)	(1,519)
<u>20.30</u>	Net Income (loss) for the year.....	10	(2,931)	(916)
	Dividends declared to shareholders.....	11	589	0
	Decrease (increase) in Reserves	12	0	0
	(Please specify)	16		
	Net increase (decrease) in Retained Earnings during the year.....	15	(3,520)	(916)
	Balance at end of year	89	(5,955)	(2,435)

RESERVES
(\$'000)

		Current Year 01	Prior Year 02
Earthquake Reserves			
Reserve Complement	90		0
Premium Reserve	91		0
Mortgage Reserve	95		0
Nuclear Reserve	96		0
General and Contingency Reserves	98		0
Total Reserves	99	0	0

COMPREHENSIVE INCOME (LOSS)
and
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
(\$'000)

Page		Current Year 01	Prior Year 03
20.30	Comprehensive Income (Loss)		
	Net Income	(2,931)	(916)
	Other Comprehensive Income (Loss):		
	Available for Sale:		
	Change in Unrealized Gains and Losses:		
	- Loans	0	0
	- Bonds and Debentures	0	0
	- Equities	0	0
	Reclassification to Earnings of (Gains) Losses	0	0
	Derivatives Designated as Cash Flow Hedges		
	Change in Unrealized Gains and Losses	0	0
	Reclassification to Earnings of (Gains) Losses	0	0
	Foreign Currency Translation		
	Change in Unrealized Gains and Losses	0	0
	Impact of Hedging	0	0
	Income (Loss) from Subsidiaries	0	0
	Other	0	0
	Total Other Comprehensive Income (Loss)	0	0
	Total Comprehensive Income (Loss)	(2,931)	(916)

		Current Year (01)	Prior Year (03)
	Accumulated Other Comprehensive Income (Loss)		
	Accumulated Gains/ (Losses) on:		
	Available for Sale:		
	- Loans		0
	- Bonds and Debentures		0
	- Equities		0
	Derivatives Designated as Cash Flow Hedges		0
	Foreign Currency (Net of Hedging Activities)		0
	Income (Loss) from Subsidiaries		0
	Other		0
20.20	Balance at end of Period	0	0

MINIMUM CAPITAL TEST
(\$'000)

	Current Year 01	Prior Year 02
Capital Available		
Total Equity less Accumulated Other Comprehensive Income 02	3,818	2,653
Add:		
Subordinated Indebtedness and Redeemable Preferred Shares 03		0
Accumulated Other Comprehensive Income (Loss) on:		
Available for Sale Equity Securities 04	0	0
Available for Sale Debt Securities 06	0	0
Foreign Currency (Net of Hedging Activities) 08	0	0
Included in Capital Available of Regulated FI Subsidiaries 10	0	0
..... 30		0
Capital Available reported by Regulated FI Subsidiaries 11		0
Less:		
Accumulated net after-tax fair value gains (losses) arising from changes in the company's own credit risk 12		0
..... 13		0
Balance Sheet Value of Investments in Regulated FI Subsidiaries 14	0	0
Assets with a Capital Requirement of 100% 17	115	645
Total Capital Available 19	3,703	2,008
Minimum Capital Required		
Balance Sheet Assets 20	208	322
Unearned Premiums/Unpaid Claims/Premium Deficiencies 22	370	337
Catastrophes 24	0	0
Reinsurance Ceded to Unregistered Insurers 26	0	0
Capital Required reported by Regulated FI Subsidiaries 27		0
Structured Settlements, Letters of Credit, Derivatives and Other Exposures 28	0	0
Minimum Capital Required 29	578	659
Excess of Capital Available over Capital Required (line 19 minus line 29) 89	3,125	1,349
Line 19 as a % of line 29 90	640.66%	304.70%