

ASSETS
(\$'000)

| Page | | | Current Year 01 | Prior Year 03 |
|--------------------------------|------------------------------------------------------------|----|-----------------------|---------------------|
| | Cash..... | 01 | 1,811 | 3,979 |
| | Investment Income due and accrued..... | 02 | 0 | 1 |
| | Investments: | | | |
| | Term Deposits..... | 04 | 0 | 0 |
| | Bonds and Debentures | 05 | 53 | 55 |
| | Mortgage Loans | 06 | 0 | 0 |
| | Preferred Shares..... | 07 | 6,912 | 6,342 |
| | Common Shares..... | 08 | 2,258 | 1,653 |
| 40.70 | Real Estate..... | 09 | 0 | 0 |
| 40.80 | Other Investments..... | 10 | 0 | 0 |
| <u>40.91</u> or/ou 40.10 | Total Investments (lines 04 to 10)..... | 19 | 9,223 | 8,050 |
| | Receivables: | | | |
| 50.20 | Unaffiliated Agents and Brokers | 20 | 0 | 0 |
| | Policyholders..... | 21 | 1,283 | 1,284 |
| | Instalment Premiums..... | 22 | 0 | 0 |
| 50.30 | Other Insurers..... | 23 | 0 | 0 |
| | "Facility Association" and the "P.R.R."..... | 24 | 0 | 0 |
| 50.40 | Subsidiaries, Affiliates and Partnerships | 25 | 51 | 365 |
| | Income Taxes..... | 26 | 0 | 325 |
| 50.20 | Other Receivables..... | 27 | 0 | 0 |
| | Recoverable from Reinsurers: | | | |
| 60.10 | Unearned Premiums..... | 30 | 0 | 0 |
| 60.30 | Unpaid Claims and Adjustment Expenses..... | 31 | 0 | 0 |
| | 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 | 155 | 287 |
| | Future Income Taxes..... | 44 | 23 | 34 |
| 50.50 | Other Assets..... | 88 | 115 | 7 |
| | TOTAL ASSETS..... | 89 | 12,661 | 14,332 |

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>0</u> | 0 |
| | Policyholders..... | 04 | | 0 |
| <u>50.30</u> | Other Insurers..... | 05 | <u>0</u> | 0 |
| <u>50.40</u> | Subsidiaries, Affiliates and Partnerships | 06 | <u>3,096</u> | 3,680 |
| | Expenses due and accrued..... | 07 | 712 | 867 |
| | Income Taxes due and accrued..... | 08 | 113 | 0 |
| | Other Taxes due and accrued..... | 09 | 221 | 0 |
| | 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>967</u> | 2,693 |
| <u>60.30</u> | Unpaid Claims and Adjustment Expenses..... | 13 | <u>1,578</u> | 2,043 |
| <u>80.10</u> | Unearned Commissions..... | 14 | <u>0</u> | 0 |
| | Premium Deficiency..... | 15 | <u>0</u> | 0 |
| | Future Income Taxes..... | 21 | | 0 |
| <u>50.50</u> | Other Liabilities..... | 28 | <u>0</u> | 0 |
| | Total Liabilities..... | 29 | 6,687 | 9,283 |
| | EQUITY | | | |
| | Shares issued and paid..... | 41 | <u>4,000</u> | 4,000 |
| | Contributed Surplus..... | 42 | <u>1,000</u> | 1,000 |
| | | 43 | | 0 |
| <u>20.40</u> | Retained Earnings..... | 44 | <u>876</u> | <u>871</u> |
| <u>20.40</u> | Reserves..... | 45 | <u>0</u> | <u>0</u> |
| <u>20.42</u> | Accumulated Other Comprehensive Income (Loss) | 47 | <u>98</u> | <u>(822)</u> |
| | Total Equity..... | 49 | 5,974 | 5,049 |
| | TOTAL LIABILITIES AND EQUITY..... | 89 | 12,661 | 14,332 |

STATEMENT OF INCOME
(\$'000)

| Page | | | Current Year 01 | Prior Year 03 |
|------------------------------------|-----------------------------------------------------------------------------------|----|-----------------------|---------------------|
| | UNDERWRITING OPERATIONS | | | |
| | Premiums Written | | | |
| | Direct..... | 01 | 13,955 | 14,395 |
| <u>70.21</u> | Reinsurance Assumed..... | 02 | 0 | 0 |
| <u>70.21</u> | Reinsurance Ceded..... | 03 | 0 | 0 |
| <u>60.20</u> | Net Premiums Written..... | 04 | 13,955 | 14,395 |
| | Decrease (increase) in Net Unearned Premiums..... | 05 | 1,726 | 3,056 |
| <u>60.20</u> | Net Premiums Earned..... | 06 | 15,681 | 17,451 |
| | Service Charges | 07 | | 0 |
| | Other | 08 | | 0 |
| | Total Underwriting Revenue..... | 09 | 15,681 | 17,451 |
| <u>60.20</u> | Net Claims and Adjustment Expenses | 10 | 1,282 | 1,880 |
| | Acquisition Expenses | | | |
| <u>80.10</u> | Commissions..... | 11 | 72 | 138 |
| | Taxes..... | 12 | 525 | 557 |
| <u>80.20</u> | Other | 14 | 5,337 | 5,633 |
| <u>80.20</u> | General Expenses..... | 16 | 6,713 | 7,277 |
| | Total Claims and Expenses | 19 | 13,929 | 15,485 |
| | Premium Deficiency Adjustments..... | 20 | | 0 |
| | Underwriting Income (Loss)..... | 29 | 1,752 | 1,966 |
| <u>40.07 or/ou</u> <u>40.10</u> | INVESTMENT OPERATIONS | | | |
| | Income..... | 32 | 376 | 447 |
| | Realized Gains (Losses) | 33 | (182) | (187) |
| | Expenses..... | 34 | | 0 |
| | Net Investment Income | 39 | 194 | 260 |
| | 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 | 1,946 | 2,226 |
| | INCOME TAXES | | | |
| | Current..... | 50 | 416 | 629 |
| | Future | 51 | 10 | (7) |
| | Total Income Taxes | 59 | 426 | 622 |
| | Extraordinary Items (net of Income Taxes of \$'000 _____)..... | 60 | | 0 |
| | NET INCOME (LOSS) FOR THE YEAR..... | 89 | 1,520 | 1,604 |

STATEMENT OF RETAINED EARNINGS
(\$'000)

| Page | | | Current Year 01 | Prior Year 02 |
|--------------|----------------------------------------------------------------------|----|-----------------------|---------------------|
| | Balance at beginning of year | 01 | 871 | 1,429 |
| | Prior period adjustments:..... | 02 | | 0 |
| | | 04 | | 0 |
| | Adjusted balance at beginning of year | 09 | 871 | 1,429 |
| <u>20.30</u> | Net Income (loss) for the year..... | 10 | <u>1,520</u> | <u>1,604</u> |
| | Dividends declared to shareholders..... | 11 | 1,515 | 2,162 |
| | Decrease (increase) in Reserves | 12 | 0 | 0 |
| | (Please specify) | 16 | | |
| | Net increase (decrease) in Retained Earnings during the year..... | 15 | 5 | (558) |
| | Balance at end of year | 89 | 876 | 871 |

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 01 | 1,520 | 1,604 |
| | Other Comprehensive Income (Loss): | | |
| | Available for Sale: | | |
| | Change in Unrealized Gains and Losses: | | |
| | - Loans 02 | 0 | 0 |
| | - Bonds and Debentures 03 | 0 | 0 |
| | - Equities 04 | 795 | (971) |
| | Reclassification to Earnings of (Gains) Losses 05 | 126 | 129 |
| | Derivatives Designated as Cash Flow Hedges | | |
| | Change in Unrealized Gains and Losses 06 | | 0 |
| | Reclassification to Earnings of (Gains) Losses 07 | | 0 |
| | Foreign Currency Translation | | |
| | Change in Unrealized Gains and Losses 08 | | 0 |
| | Impact of Hedging 09 | | 0 |
| | Income (Loss) from Subsidiaries 10 | | 0 |
| | Other 12 | | 0 |
| | Total Other Comprehensive Income (Loss) 21 | 921 | (842) |
| | Total Comprehensive Income (Loss) 39 | 2,441 | 762 |

| | | Current Year (01) | Prior Year (03) |
|-------|--------------------------------------------------------------|-------------------------|-----------------------|
| | Accumulated Other Comprehensive Income (Loss) | | |
| | Accumulated Gains/ (Losses) on: | | |
| | Available for Sale: | | |
| | - Loans 42 | | 0 |
| | - Bonds and Debentures 43 | | 0 |
| | - Equities 44 | 98 | (822) |
| | Derivatives Designated as Cash Flow Hedges 45 | | 0 |
| | Foreign Currency (Net of Hedging Activities) 46 | | 0 |
| | Income (Loss) from Subsidiaries 47 | | 0 |
| | Other 49 | | 0 |
| 20.20 | Balance at end of Period 59 | 98 | (822) |

TRANS GLOBAL INSURANCE COMPANY

Insurer

2009

Year

**MINIMUM CAPITAL TEST
(\$'000)**

| | Current Year 01 | Prior Year 02 |
|-----------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------|
| Capital Available | | |
| Total Equity less Accumulated Other Comprehensive Income 02 | <u>5,876</u> | <u>5,871</u> |
| Add: | | |
| Subordinated Indebtedness and Redeemable Preferred Shares 03 | | 0 |
| Accumulated Other Comprehensive Income (Loss) on: | | |
| Available for Sale Equity Securities 04 | <u>98</u> | (822) |
| Available for Sale Debt Securities 06 | <u>0</u> | 0 |
| Foreign Currency (Net of Hedging Activities) 08 | <u>0</u> | 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 | <u>0</u> | 0 |
| Assets with a Capital Requirement of 100% 17 | <u>0</u> | 0 |
| Total Capital Available 19 | <u>5,974</u> | <u>5,049</u> |
| Minimum Capital Required | | |
| Balance Sheet Assets 20 | <u>755</u> | 642 |
| Unearned Premiums/Unpaid Claims/Premium Deficiencies 22 | <u>637</u> | 963 |
| Catastrophes 24 | <u>0</u> | 0 |
| Reinsurance Ceded to Unregistered Insurers 26 | <u>0</u> | 0 |
| Capital Required reported by Regulated FI Subsidiaries 27 | | 0 |
| Structured Settlements, Letters of Credit, Derivatives and Other Exposures 28 | <u>0</u> | 0 |
| Minimum Capital Required 29 | <u>1,392</u> | <u>1,605</u> |
| Excess of Capital Available over Capital Required (line 19 minus line 29) 89 | <u>4,582</u> | <u>3,444</u> |
| Line 19 as a % of line 29 90 | <u>429.17%</u> | <u>314.58%</u> |