

**ASSETS**  
(\$'000)

	Current	Prior
	01	03
Cash ..... 01	86	684
Investment Income due and accrued ..... 02	41	42
Investments:		
Term Deposits ..... 04	1,471	2,614
Bonds and Debentures ..... 05	4,198	2,097
Mortgage Loans ..... 06	0	
Preferred Shares ..... 07	220	159
Common Shares ..... 08	499	632
Real Estate ..... 09	0	
Other Investments ..... 10	0	
<b>Total Investments (lines 04 to 10) ..... 19</b>	<b>6,388</b>	<b>5,502</b>
Receivables:		
Unaffiliated Agents and Brokers ..... 20	0	
Policyholders ..... 21	189	69
Instalment Premiums ..... 22	0	
Other Insurers ..... 23	0	
"Facility Association" and the "P.R.R." ..... 24	0	
Subsidiaries, Affiliates & Partnerships ..... 25	0	
Income Taxes ..... 26	0	
Other Receivables ..... 27	0	27
Recoverable from Reinsurers:		
Unearned Premiums ..... 30	0	
Unpaid Claims and Adjustment Expenses ..... 31	0	
Other Recoverables on Unpaid Claims ..... 37	3,413	3,755
Investment in Subsidiaries, Affiliates & Partnerships ..... 40	0	
Real Estate for Insurer's own use ..... 41	0	
Deferred Policy Acquisition Expenses ..... 43	0	
Future Income Taxes ..... 44	0	
Other Assets ..... 88	0	
<b>TOTAL ASSETS ..... 89</b>	<b>10,117</b>	<b>10,079</b>

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

Page		Current 01	Prior 03
	<b>LIABILITIES</b>		
	Overdrafts ..... 01		
	Borrowed Money and Accrued Interest ..... 02		
	Payables:		
	Agents and Brokers ..... 03		10
	Policyholders ..... 04		
	Other Insurers ..... 05	238	
	Subsidiaries, Affiliates & Partnerships ..... 06		
	Expenses due and accrued ..... 07	92	129
	Income Taxes due and accrued ..... 08	17	
	Other Taxes due and accrued ..... 09	15	8
	Policyholder Dividends and Rating Adjustments ..... 10		
	Encumbrances on Real Estate ..... 11		
	Unearned Premiums ..... 12		
	Unpaid Claims and Adjustment Expenses..... 13	1,185	1,436
	Unearned Commissions ..... 14	0	
	Premium Deficiency ..... 15		
	Future Income Taxes ..... 21		
	Other Liabilities ..... 28	3,412	3,755
	<b>Total Liabilities</b> ..... 29	<b>4,959</b>	<b>5,338</b>
	<b>EQUITY</b>		
	Shares issued and paid ..... 41	4,000	4,000
	Contributed Surplus ..... 42		
	..... 43		
	Retained Earnings ..... 44	1,158	741
	Reserves ..... 45	0	0
20.42	Accumulated Other Comprehensive Income (Loss) ..... 47	0	0
	<b>Total Equity</b> ..... 49	<b>5,158</b>	<b>4,741</b>
	<b>TOTAL LIABILITIES AND EQUITY</b> ..... 89	<b>10,117</b>	<b>10,079</b>

**STATEMENT OF INCOME**  
(\$'000)

	Current Period 01	Prior Period 03
<b>UNDERWRITING OPERATIONS</b>		
<b>Premiums Written</b>		
Direct .....	152	210
Reinsurance Assumed .....	0	
Reinsurance Ceded .....	0	
<b>Net Premiums Written</b> .....	152	210
Decrease (increase) in Net Unearned Premiums .....	0	
<b>Net Premiums Earned</b> .....	152	210
Service Charges .....		
Other .....		
<b>Total Underwriting Revenue</b> .....	152	210
Net Claims and Adjustment Expenses .....	722	13
Acquisition Expenses		
Commissions .....	0	31
Taxes .....	5	6
Other .....	4	
General Expenses .....	38	42
<b>Total Claims and Expenses</b> .....	769	92
Premium Deficiency Adjustments .....		
<b>Underwriting Income (Loss)</b> .....	(617)	118
<b>INVESTMENT OPERATIONS</b>		
Income .....	71	14
Realized Gains (Losses) .....		
Expenses .....	6	4
<b>Net Investment Income</b> .....	65	10
<b>OTHER REVENUE AND EXPENSES</b>		
Income (Loss) from Ancillary Operations .....		
(net of Expenses of \$'000 _____ )		
Share of Net Income (Loss) of Subsidiaries, Affiliates & Partnerships .....		
Gain (losses) from fluctuations in Foreign Exchange Rates .....		
Other .....	712	111
<b>Net income (Loss) before Income Taxes and</b>		
<b>Extraordinary Items</b> .....	160	239
<b>INCOME TAXES</b>		
Current .....	31	
Future .....		
<b>Total Income Taxes</b> .....	31	0
Extraordinary Items (net of Income Taxes of \$'000 _____ ) .....		
<b>NET INCOME (LOSS) FOR THE PERIOD</b> .....	129	239

**STATEMENT OF RETAINED EARNINGS**  
**(\$'000)**

	Current 01	Prior 02
<b>Balance at beginning of year</b> ..... 01	1,029	502
Prior period adjustments: ..... 02		
..... 04		
<b>Adjusted balance at beginning of year</b> ..... 09	1,029	502
Net income (loss) for the Period ..... 10	129	239
Dividends declared to shareholders ..... 11		
Decrease (increase) in Reserves ..... 12		
(Please Specify) ..... 16		
Net increase (decrease) in Retained Earnings during the period ..... 15	129	239
<b>Balance at end of Period</b> ..... 89	1,158	741

**RESERVES**  
**(\$'000)**

	Current 01	Prior 02
Earthquake Reserves		
Reserve Complement ..... 90		
Premium Reserve ..... 91		
Mortgages Reserve ..... 95		
Nuclear Reserve ..... 96		
General and Contingency Reserves ..... 98		
<b>Total Reserves</b> ..... 99	0	0

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

Page		Current Period 01	Prior Period 03
20.30	<b>Comprehensive Income (Loss)</b>		
	Net Income ..... 01	129	239
	Other Comprehensive Income (Loss):		
	<b>Available for Sale:</b>		
	Change in Unrealized Gains and Losses:		
	- Loans ..... 02		
	- Bonds and Debentures ..... 03		
	- Equities ..... 04		
	Reclassification to Earnings of (Gains) Losses ..... 05		
	<b>Derivatives Designated as Cash Flow Hedges</b>		
	Change in Unrealized Gains and Losses ..... 06		
	Reclassification to Earnings of (Gains) Losses ..... 07		
	<b>Foreign Currency Translation</b>		
	Change in Unrealized Gains and Losses ..... 08		
	Impact of Hedging ..... 09		
	<b>Income (Loss) from Subsidiaries</b> ..... 10		
	<b>Other</b> ..... 12		
	Total Other Comprehensive Income (Loss) ..... 21	0	0
	<b>Total Comprehensive Income (Loss)</b> ..... 39	129	239

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

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

	Current 01	Prior 02
<b>Capital Available</b>		
Total Equity less Accumulated Other Comprehensive Income ..... 02	5,158	4,741
Add:		
Subordinated Indebtedness and Redeemable Preferred Shares ..... 03		
Accumulated Other Comprehensive Income (Loss) on:		
Available for Sale Equity Securities ..... 04	0	
Available for Sale Debt Securities ..... 06	0	
Foreign Currency (Net of Hedging Activities) ..... 08		
Included in Capital Available of Regulated FI Subsidiaries ..... 10		
..... 30		
Capital Available reported by Regulated FI Subsidiaries ..... 11		
Less:		
Accumulated net after-tax fair value gains (losses) arising from changes in the company's own credit risk ..... 12		
..... 13		
Balance Sheet Value of Investments in Regulated FI Subsidiaries .. 14	0	
Assets with a Capital Requirement of 100% ..... 17	0	
<b>Total Capital Available</b> ..... 19	<b>5,158</b>	<b>4,741</b>
<b>Minimum Capital Required</b>		
Balance Sheet Assets ..... 20	625	714
Unearned Premiums/Unpaid Claims/Premium Deficiencies ..... 22	34	8
Catastrophes ..... 24	0	
Reinsurance Ceded to Unregistered Insurers ..... 26	0	
Capital Required reported by Regulated FI Subsidiaries ..... 27		
Structured Settlements, Letters of Credit, Derivatives and Other Exposures ..... 28	0	
<b>Minimum Capital Required</b> ..... 29	<b>659</b>	<b>722</b>
<b>Excess Capital Available over Minimum Capital Required</b>		
(line 19 minus line 29) ..... 89	4,499	4,019
<b>Line 19 as a % of line 29</b> ..... 90	<b>782.70%</b>	<b>656.65%</b>