

ASSETS
(\$'000)

| | Current 01 | Prior 03 |
|----------------------------------------------------------------|---------------|---------------|
| Cash 01 | 1,351 | 1,135 |
| Investment Income due and accrued 02 | 43 | 2 |
| Investments: | | |
| Term Deposits 04 | 0 | 0 |
| Bonds and Debentures 05 | 52 | 55 |
| Mortgage Loans 06 | 0 | 0 |
| Preferred Shares 07 | 6,836 | 7,241 |
| Common Shares 08 | 2,351 | 1,566 |
| Real Estate 09 | 0 | 0 |
| Other Investments 10 | 0 | 0 |
| Total Investments (lines 04 to 10) 19 | 9,239 | 8,862 |
| Receivables: | | |
| Unaffiliated Agents and Brokers 20 | 0 | 0 |
| Policyholders 21 | 1,472 | 1,284 |
| Instalment Premiums 22 | 0 | 0 |
| Other Insurers 23 | 0 | 0 |
| "Facility Association" and the "P.R.R." 24 | 0 | 0 |
| Subsidiaries, Affiliates & Partnerships 25 | 0 | 0 |
| Income Taxes 26 | 0 | 0 |
| Other Receivables 27 | 100 | 2 |
| Recoverable from Reinsurers: | | |
| Unearned Premiums 30 | 0 | 0 |
| Unpaid Claims and Adjustment Expenses 31 | 0 | 0 |
| Other Recoverables on Unpaid Claims 37 | 0 | 0 |
| Investment in Subsidiaries, Affiliates & Partnerships 40 | 0 | 0 |
| Real Estate for Insurer's own use 41 | 0 | 0 |
| Deferred Policy Acquisition Expenses 43 | 112 | 254 |
| Future Income Taxes 44 | 23 | 28 |
| Other Assets 88 | 12 | 12 |
| TOTAL ASSETS 89 | 12,352 | 11,579 |

LIABILITIES AND EQUITY
(\$'000)

| Page | | Current 01 | Prior 03 |
|-------|--------------------------------------------------------|---------------|---------------|
| | LIABILITIES | | |
| | Overdrafts 01 | | 0 |
| | Borrowed Money and Accrued Interest 02 | | 0 |
| | Payables: | | |
| | Agents and Brokers 03 | | 0 |
| | Policyholders 04 | | 0 |
| | Other Insurers 05 | | 0 |
| | Subsidiaries, Affiliates & Partnerships 06 | 3,774 | 2,146 |
| | Expenses due and accrued 07 | 984 | 619 |
| | Income Taxes due and accrued 08 | (462) | (591) |
| | Other Taxes due and accrued 09 | (24) | 112 |
| | Policyholder Dividends and Rating Adjustments 10 | | 0 |
| | Encumbrances on Real Estate 11 | | 0 |
| | Unearned Premiums 12 | 694 | 2,180 |
| | Unpaid Claims and Adjustment Expenses..... 13 | 1,654 | 1,878 |
| | Unearned Commissions 14 | 0 | 0 |
| | Premium Deficiency 15 | | 0 |
| | Future Income Taxes 21 | | 0 |
| | Other Liabilities 28 | | 0 |
| | Total Liabilities 29 | 6,620 | 6,344 |
| | EQUITY | | |
| | Shares issued and paid 41 | 4,000 | 4,000 |
| | Contributed Surplus 42 | 1,000 | 1,000 |
| | 43 | | 0 |
| | Retained Earnings 44 | 631 | 996 |
| | Reserves 45 | 0 | 0 |
| 20.42 | Accumulated Other Comprehensive Income (Loss) 47 | 101 | (761) |
| | Total Equity 49 | 5,732 | 5,235 |
| | TOTAL LIABILITIES AND EQUITY 89 | 12,352 | 11,579 |

STATEMENT OF INCOME
(\$'000)

| | Current | Prior |
|-----------------------------------------------------------------------------|--------------|--------------|
| | 01 | 03 |
| UNDERWRITING OPERATIONS | | |
| Premiums Written | | |
| Direct | 3,518 | 3,578 |
| Reinsurance Assumed | 0 | 0 |
| Reinsurance Ceded | 0 | 0 |
| Net Premiums Written | 3,518 | 3,578 |
| Decrease (increase) in Net Unearned Premiums | 273 | 513 |
| Net Premiums Earned | 3,791 | 4,091 |
| Service Charges | 0 | 0 |
| Other | 0 | 0 |
| Total Underwriting Revenue | 3,791 | 4,091 |
| Net Claims and Adjustment Expenses | 388 | 519 |
| Acquisition Expenses | | |
| Commissions | 35 | 23 |
| Taxes | 103 | 136 |
| Other | 1,245 | 1,347 |
| General Expenses | 1,857 | 1,665 |
| Total Claims and Expenses | 3,628 | 3,690 |
| Premium Deficiency Adjustments | 0 | 0 |
| Underwriting Income (Loss) | 163 | 401 |
| INVESTMENT OPERATIONS | | |
| Income | 137 | 96 |
| Realized Gains (Losses) | 15 | (137) |
| Expenses | 0 | 0 |
| Net Investment Income | 152 | (41) |
| OTHER REVENUE AND EXPENSES | | |
| Income (Loss) from Ancillary Operations | 0 | 0 |
| (net of Expenses of \$'000 _____) | | |
| Share of Net Income (Loss) of Subsidiaries, Affiliates & Partnerships | 0 | 0 |
| Gain (losses) from fluctuations in Foreign Exchange Rates | 0 | 0 |
| Other | 0 | 0 |
| Net income (Loss) before Income Taxes and | | |
| Extraordinary Items | 315 | 360 |
| INCOME TAXES | | |
| Current | 60 | 132 |
| Future | 1 | (46) |
| Total Income Taxes | 61 | 86 |
| Extraordinary Items (net of Income Taxes of \$'000 _____) | | 0 |
| NET INCOME (LOSS) FOR THE PERIOD | 254 | 274 |

STATEMENT OF RETAINED EARNINGS
(\$'000)

| | Current 01 | Prior 02 |
|-------------------------------------------------------------------------|---------------|-------------|
| Balance at beginning of year 01 | 877 | 722 |
| Prior period adjustments: 02 | 0 | 0 |
| 04 | 0 | 0 |
| Adjusted balance at beginning of year 09 | 877 | 722 |
| Net income (loss) for the Period 10 | 254 | 274 |
| Dividends declared to shareholders 11 | 500 | 0 |
| Decrease (increase) in Reserves 12 | 0 | 0 |
| (Please Specify) 16 | | |
| Net increase (decrease) in Retained Earnings during the period 15 | (246) | 274 |
| Balance at end of Period 89 | 631 | 996 |

RESERVES
(\$'000)

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

Tax Effective Rate for Mortgage R

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

| Page | | Current 01 | Prior 03 |
|-------|---------------------------------------------------------|---------------|-------------|
| 20.30 | Comprehensive Income (Loss) | | |
| | Net Income 01 | 254 | 274 |
| | 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 | 12 | (33) |
| | Reclassification to Earnings of (Gains) Losses 05 | (10) | 94 |
| | Derivatives Designated as Cash Flow Hedges | | |
| | Change in Unrealized Gains and Losses 06 | 0 | 0 |
| | Reclassification to Earnings of (Gains) Losses 07 | 0 | 0 |
| | Foreign Currency Translation | | |
| | Change in Unrealized Gains and Losses 08 | 0 | 0 |
| | Impact of Hedging 09 | 0 | 0 |
| | Income (Loss) from Subsidiaries 10 | 0 | 0 |
| | Other 12 | 0 | 0 |
| | Total Other Comprehensive Income (Loss) 21 | 2 | 61 |
| | Total Comprehensive Income (Loss) 39 | 256 | 335 |

| | | Current (01) | Prior (03) |
|-------|--------------------------------------------------------------|-----------------|---------------|
| | Accumulated Other Comprehensive Income (Loss) | | |
| | Accumulated Gains/ (Losses) on: | | |
| | Available for Sale: | | |
| | - Loans 42 | 0 | 0 |
| | - Bonds and Debentures 43 | 0 | 0 |
| | - Equities 44 | 101 | (761) |
| | Derivatives Designated as Cash Flow Hedges 45 | 0 | 0 |
| | Foreign Currency (Net of Hedging Activities) 46 | 0 | 0 |
| | Income (Loss) from Subsidiaries 47 | 0 | 0 |
| | Other 49 | 0 | 0 |
| 20.20 | Balance at end of Period 59 | 101 | (761) |

MINIMUM CAPITAL TEST
(\$'000)

| | Current 01 | Prior 02 |
|----------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| Capital Available | | |
| Total Equity less Accumulated Other Comprehensive Income02 | 5,631 | 5,996 |
| Add: | | |
| Subordinated Indebtedness and Redeemable Preferred Shares 03 | | 0 |
| Accumulated Other Comprehensive Income (Loss) on: | | |
| Available for Sale Equity Securities04 | 101 | (761) |
| Available for Sale Debt Securities06 | 0 | 0 |
| Foreign Currency (Net of Hedging Activities)08 | | 0 |
| Included in Capital Available of Regulated FI Subsidiaries10 | | 0 |
|30 | | |
| 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 risk12 | | 0 |
|13 | | 0 |
| Balance Sheet Value of Investments in Regulated FI Subsidiaries ..14 | 0 | 0 |
| Assets with a Capital Requirement of 100%17 | 12 | 0 |
| Total Capital Available19 | 5,720 | 5,235 |
| Minimum Capital Required | | |
| Balance Sheet Assets20 | 721 | 610 |
| Unearned Premiums/Unpaid Claims/Premium Deficiencies22 | 639 | 283 |
| Catastrophes24 | 0 | 0 |
| Reinsurance Ceded to Unregistered Insurers26 | 0 | 0 |
| Capital Required reported by Regulated FI Subsidiaries27 | | 0 |
| Structured Settlements, Letters of Credit, Derivatives and Other Exposures28 | 0 | 0 |
| Minimum Capital Required29 | 1,360 | 893 |
| Excess Capital Available over Minimum Capital Required | | |
| (line 19 minus line 29)89 | 4,360 | 4,342 |
| Line 19 as a % of line 2990 | 420.59% | 586.23% |

Page A3, columns E, I and K
must be completed