

Fortress Insurance Company
Insurer

30-09-2010

ASSETS
(\$'000)

	Current 01	Prior 03
Cash 01	525	435
Investment Income due and accrued 02	41	93
Investments:		
Term Deposits 04	1,429	4,668
Bonds and Debentures 05	4,364	960
Mortgage Loans 06	0	0
Preferred Shares 07	292	294
Common Shares 08	963	665
Real Estate 09	0	0
Other Investments 10	0	0
Total Investments (lines 04 to 10) 19	7,048	6,587
Receivables:		
Unaffiliated Agents and Brokers 20	0	0
Policyholders 21	79	83
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	0	0
Recoverable from Reinsurers:		
Unearned Premiums 30	0	0
Unpaid Claims and Adjustment Expenses 31	0	0
Other Recoverables on Unpaid Claims 37	2,946	2,256
Investment in Subsidiaries, Affiliates & Partnerships 40	0	0
Real Estate for Insurer's own use 41	0	0
Deferred Policy Acquisition Expenses 43	0	0
Future Income Taxes 44	0	0
Other Assets 88	0	0
TOTAL ASSETS 89	10,639	9,454

LIABILITIES AND EQUITY
(\$'000)

Page		Current 01	Prior 03
	LIABILITIES		
	Overdrafts 01	0	0
	Borrowed Money and Accrued Interest 02	0	0
	Payables:		
	Agents and Brokers 03	0	0
	Policyholders 04	0	0
	Other Insurers 05	227	235
	Subsidiaries, Affiliates & Partnerships 06	0	0
	Expenses due and accrued 07	69	83
	Income Taxes due and accrued 08		0
	Other Taxes due and accrued 09	15	15
	Policyholder Dividends and Rating Adjustments 10		0
	Encumbrances on Real Estate 11		0
	Unearned Premiums 12		0
	Unpaid Claims and Adjustment Expenses 13	1,267	1,215
	Unearned Commissions 14	0	0
	Premium Deficiency 15		0
	Future Income Taxes 21		0
	Other Liabilities 28	2,946	2,256
	Total Liabilities 29	4,524	3,804
	EQUITY		
	Shares issued and paid 41	4,000	4,000
	Contributed Surplus 42		0
 43		0
	Retained Earnings 44	2,115	1,650
	Reserves 45	0	0
20.42	Accumulated Other Comprehensive Income (Loss) 47	0	0
	Total Equity 49	6,115	5,650
	TOTAL LIABILITIES AND EQUITY 89	10,639	9,454

STATEMENT OF INCOME
(\$'000)

	Current 01	Prior 03
UNDERWRITING OPERATIONS		
Premiums Written		
Direct	482	496
Reinsurance Assumed	0	0
Reinsurance Ceded	0	0
Net Premiums Written	482	496
Decrease (increase) in Net Unearned Premiums	0	0
Net Premiums Earned	482	496
Service Charges		0
Other		0
Total Underwriting Revenue	482	496
Net Claims and Adjustment Expenses	1,639	264
Acquisition Expenses		
Commissions	0	0
Taxes	15	15
Other		0
General Expenses	98	87
Total Claims and Expenses	1,752	366
Premium Deficiency Adjustments		0
Underwriting Income (Loss)	-1,270	130
INVESTMENT OPERATIONS		
Income	199	373
Realized Gains (Losses)		0
Expenses		20
Net Investment Income	199	353
OTHER REVENUE AND EXPENSES		
Income (Loss) from Ancillary Operations (net of Expenses of \$'000 _____)		0
Share of Net Income (Loss) of Subsidiaries, Affiliates & Partnerships		0
Gain (losses) from fluctuations in Foreign Exchange Rates		0
Other	1,641	216
Net income (Loss) before Income Taxes and Extraordinary Items	570	699
INCOME TAXES		
Current	116	78
Future	0	0
Total Income Taxes	116	78
Extraordinary Items (net of Income Taxes of \$'000 _____)	0	0
NET INCOME (LOSS) FOR THE PERIOD	454	621

STATEMENT OF RETAINED EARNINGS
(\$'000)

	Current 01	Prior 02
Balance at beginning of year 01	1,661	1,029
Prior period adjustments: 02	0	0
..... 04	0	0
Adjusted balance at beginning of year 09	1,661	1,029
Net income (loss) for the Period 10	454	621
Dividends declared to shareholders 11		
Decrease (increase) in Reserves 12		
(Please Specify) 16		
Net increase (decrease) in Retained Earnings during the period 15	454	621
Balance at end of Period 89	2,115	1,650

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		
Total Reserves 99	0	0

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

Page		Current 01	Prior 03
20.30	Comprehensive Income (Loss)		
	Net Income 01	454	621
	Other Comprehensive Income (Loss):		
	Available for Sale:		
	Change in Unrealized Gains and Losses:		
	- Loans 02		0
	- Bonds and Debentures 03		0
	- Equities 04		0
	Reclassification to Earnings of (Gains) Losses 05		0
	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	0	0
	Total Comprehensive Income (Loss) 39	454	621

		Current (01)	Prior (03)
	Accumulated Other Comprehensive Income (Loss)		
	Accumulated Gains/ (Losses) on:		
	Available for Sale:		
	- Loans 42		0
	- Bonds and Debentures 43		0
	- Equities 44		0
	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	0	0

MINIMUM CAPITAL TEST
(\$'000)

	Current 01	Prior 02
Capital Available		
Total Equity less Accumulated Other Comprehensive Income 02	6,115	5,650
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
Included in Capital Available of Regulated FI Subsidiaries 10		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		
Balance Sheet Value of Investments in Regulated FI Subsidiaries ... 14	0	0
Assets with a Capital Requirement of 100% 17	0	0
Total Capital Available 19	6,115	5,650
Minimum Capital Required		
Balance Sheet Assets 20	629	463
Unearned Premiums/Unpaid Claims/Premium Deficiencies 22	153	28
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	782	491
Excess Capital Available over Minimum Capital Required		
(line 19 minus line 29) 89	5,333	5,159
Line 19 as a % of line 29 90	781.97%	1150.71%