REPORT ON EXAMINATION

OF

ATLANTIC PREFERRED INSURANCE COMPANY

TAMPA, FLORIDA

AS OF

DECEMBER 31, 2002

BY THE

OFFICE OF INSURANCE REGULATION

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Tallahassee, Florida

October 3, 2003

Kevin M. McCarty
Director
Office of Insurance Regulation
State of Florida
Tallahassee, Florida 32399-0326

Dear Sir:

Pursuant to your instructions, in compliance with Section 624.316, Florida Statutes (FS), and in accordance with the practices and procedures promulgated by the National Association of Insurance Commissioners, we have conducted an examination as of December 31, 2002, of the financial condition and corporate affairs of:

ATLANTIC PREFERRED INSURANCE COMPANY
302 KNIGHTS RUN AVENUE, SUITE 700
TAMPA, FLORIDA 33602

Hereinafter referred to as the "Company". Such report of examination is herewith respectfully submitted.

SCOPE OF EXAMINATION

This examination covered the period of January 1, 2001 through December 31, 2002. The Company was last examined by representatives of the Florida Office of Insurance Regulation (Office) as of December 31, 2000. This examination commenced with planning at the Office, on March 24, 2003 to March 28, 2003. The fieldwork commenced on May 27, 2003, and was concluded as of October 3, 2003. The examination included any material transactions and/or events occurring subsequent to the examination date and noted during the course of the examination.

This financial examination was a statutory financial examination conducted in accordance with the Financial Examiners Handbook, Accounting Practices and Procedures Manual and annual statement instructions promulgated by the National Association of Insurance Commissioners (NAIC) as adopted by Rules 4-137.001(4) and 4-138.001, Florida Administrative Code (FAC), with due regard to the statutory requirements of the insurance laws and rules of the State of Florida.

In this examination, emphasis was directed to the quality, value and integrity of the statement assets and the determination of liabilities, as those balances affect the financial solvency of the Company.

The examination included a review of the corporate records and other selected records deemed pertinent to the Company's operations and practices. In addition, the NAIC IRIS ratio report, the A.M. Best Report, the Company's independent audit reports and certain work papers prepared by the Company's independent certified public accountant were reviewed and utilized where applicable within the scope of this examination.

We valued and/or verified the amounts of the Company's assets and liabilities as reported by the Company in its annual statement as of December 31, 2002. Transactions subsequent to year-end 2002 were reviewed where relevant and deemed significant to the Company's financial condition.

This report of examination is confined to financial statements and comments on matters that involve departures from laws, regulations or rules, or which are deemed to require special explanation or description.

Status of Adverse Findings from Prior Examination

The following is a summary of significant adverse findings contained in the Office's prior examination report as of December 31, 2000, along with resulting action taken by the Company in connection therewith.

Management

The Company did not maintain an audit committee in accordance with Section 624.424(8)(c), FS. **Resolution:** The Company established an audit committee of three directors of the Company.

Fidelity Bond

The Company did not maintain the suggested minimum amount of fidelity bond coverage as recommended by the NAIC. **Resolution:** The Company maintained the minimum amount of fidelity bond coverage recommended.

Accounts and Records

The Company did not maintain an account current or an aging summary of premiums receivable by effective date, on a policy-by-policy basis, in accordance with Rule 4-138.024, FAC. **Resolution:** The Company continues to not comply with Rule 4-138.024, FAC.

Accounts and Records

The MGA collected premiums on behalf of the Company and transferred these funds to the Company on a quarterly basis rather than monthly as provided in the MGA Agreement. **Resolution:** The MGA remitted the premiums to the Company more frequently than on a quarterly basis in 2002. This is subsequently discussed in further detail in the Accounts and Records Section of this report.

Accounts and Records

The Company misclassified several items in the annual statement. Accounts payable to affiliates, premium taxes, premium refunds payable and amounts due to the JUA were all included in the balance sheet on Page 3, Line 4 entitled “Other Expenses.” **Resolution:** The Company correctly reported these items in the Annual Statement for the current examination period.

Custodial Agreement

The Company’s custodial agreement with SunTrust Bank did not indemnify the Company for loss of custodied securities in accordance with Rule 4-143.042, FAC. **Resolution:** The Company has discontinued the custodial agreement with SunTrust Bank. The the new custodial agreement entered into with Wachovia also does not indemnify the Company for loss of custodied securities in accordance with Rule 4-143.042, FAC.

HISTORY

General

The Company was incorporated in Florida on March 20, 1998 and commenced business on May 31, 1998 as Atlantic Preferred Insurance Company.

In accordance with Section 624.401(1), FS, the Company was authorized to transact the following insurance coverage in Florida on December 31, 2002:

Fire	Commercial Automobile Liability
Allied Lines	Commercial Auto Physical Damage
Homeowners Multi Peril	Surety
Commercial Multi Peril	Glass
Inland Marine	Burglary and Theft
Other Liability	Boiler and Machinery

The Company has not written insurance coverage in the last two years in the following lines of business:

Inland Marine	Surety
Other Liability	Burglary and Theft
Commercial Automobile Liability	Boiler and Machinery
Commercial Auto Physical Damage	

The Company removed approximately 25,000 policies in 1998 and 1999 under the Market Challenge Program from Citizens Property Insurance Company (Citizens), formerly Florida Residential Property and Casualty Joint Underwriting Association. Approximately 14,000 of these policies were in effect when the Company was acquired in 2001 by Poe Financial Group, Inc. The Company completed its three-year holding period for these policies and received all applicable takeout bonus amounts from Citizens in 2001 and 2002. In May 2002, the Company removed another 21,700 policies from Citizens under the Enhanced Takeout Program. Approximately 19,000 policies remained in effect as of December 31, 2002. Normal policy attrition was approximately 12 per cent to 15 per cent per year.

The Company has developed a network of independent agents, primarily in Southeast and Southwest Florida, to provide new business. In 2002, independent agents added approximately 20,000 new policies to the Company.

Subsequent Event

The Company removed another 28,000 policies from Citizens in July 2003. During September 2003, Citizens agreed to let the Company take out up to 100,000 residential policies and 50,000 wind policies.

The articles of incorporation and the bylaws were not amended during the period covered by this examination.

Capital Stock

As of December 31, 2002, the Company's capitalization was as follows:

Number of authorized common capital shares	1,000
Number of shares issued and outstanding	1,000
Total common capital stock	$1,000
Par value per share	$1.00

Control of the Company was maintained by its parent, Poe Insurance Holdings, Inc., who owned 100 percent of the stock issued by the Company, who in turn was 100 percent owned by Poe Financial Group, Inc., a Florida corporation.

Profitability of Company

During its five years in existence, the Company has reported net underwriting gains and net income in four of the five years.

Year	Net Underwriting Gains (Losses)	Net Income Gains (Losses)
2002	$10,787,954	$4,133,859
2001	$200,002	$258,526
2000	$256,298	$661,653
1999	$420,464	$1,114,934
1998	($2,250,879)	($1,866,432)

Premiums earned increased during the Company's existence from $2,329,310 in 1998 to $22,173,392 in 2002. Assumed and direct written premiums for those periods increased from $6,134,112 in 1998 to $81,916,572 in 2002.

Dividends to Stockholders

The Company did not declare or pay dividends to its stockholder during the period covered by this examination.

Management

The annual shareholder meeting for the election of directors was held in accordance with Sections 607.1601 and 628.231, FS. Directors serving as of December 31, 2002, were:

Directors

Name and Location	Principal Occupation
James E. Wurdeman, Chairman Tampa, Florida	Chairman & CEO, Southern Family Ins. Co. & Florida Preferred Property Ins. Co.
Thomas S. Krzesinski Tampa, Florida	President, Southern Family Ins. Co.
William F, Poe, Sr. Tampa, Florida	Chairman & CEO, Poe Financial Group, Inc.
William F, Poe, Jr. Tampa, Florida	President, Poe Financial Group, Inc.
Charles E. Poe Tampa, Florida	Senior Vice Pres., Poe Financial Group, Inc.
Marilyn P. Lunskis Tampa, Florida	Director, Poe Financial Group, Inc.
Janice P. Mitchell Tampa, Florida	Director, Poe Financial Group, Inc.
Keren P. Smith Tampa, Florida	Director, Poe Financial Group, Inc.

The Board of Directors in accordance with the Company's bylaws appointed the following senior officers:

Senior Officers

Name	Title
Thomas S. Krzesinski	President
Jan Jacob Meder	Treasurer/Secretary

The Company's board appointed several internal committees in accordance with Section 607.0825, FS. The following are principal internal board committees and their members as of December 31, 2002:

Audit Committee	Investment Committee - Fixed	Investment Committee - Equities
William F. Poe, Sr.	Charlie E. Poe	Charlie E. Poe
William F. Poe, Jr.	Thomas S. Krzesinski	William F. Poe, Sr.
James E. Wurdeman	James E. Wurdeman	James E. Wurdeman
Charlie E. Poe	Jan J. Meder	

Conflict of Interest Procedure

The Company had adopted a policy statement requiring annual disclosure of conflicts of interest, in accordance with Section 607.0832, FS. No exceptions were noted during this examination period.

Corporate Records

The recorded minutes of the shareholder, Board of Directors, and Audit and Investment Committee meetings were reviewed for the period under examination. The recorded minutes of the Board adequately documented meetings and approval of Company transactions in accordance meetings with Section 607.1601, FS, including the authorization of investments as required by Section 625.304, FS.

Acquisitions, Mergers, Disposals, Dissolutions, and Purchase or Sales Through Reinsurance

On January 5, 2001, Poe Insurance Holdings, Inc. acquired 100 percent of the outstanding common stock of the Company. Poe Insurance Holdings, Inc. is a wholly owned subsidiary of Poe Financial Group, Inc. All of the companies are Florida corporations and domiciled in the State of Florida. The Office approved the acquisition of the Company on December 29, 2000.

Surplus Debentures

The Company had no outstanding surplus debentures at December 31, 2002.

AFFILIATED COMPANIES

The Company was a member of an insurance holding company system as defined by Rule 4-143.045(3), FAC. The latest holding company registration statement was filed with the State of Florida on June 25, 2003, as required by Section 628.801, FS, and Rule 4-143.046, FAC.

The following agreements were in force between the Company and its affiliates:

MGA Agreement

The Company had a Managing General Agency Agreement with Poe Insurance Managers, Inc. (PIM) formerly, Southern Family Insurance Managers, Inc. PIM was a licensed managing general agent (MGA), to provide services in connection with the management and administration of the affairs of the Company. The services provided included underwriting, policy administration and reinsurance negotiation on behalf of the Company. The MGA was responsible for most of the charges and expenses incurred in its operation and received a fee from the Company of 20 per cent to 26.5 per cent, depending on the amount of the gross premiums written. The Company paid the MGA commissions and policy fees of $16,938,094 in 2002 and $5,729,455 in 2001. The agreement was effective on January 1, 2001 and was amended during 2002 to reflect the change in the MGA's fees and name as discussed above. The agreement met all of the required contract provisions, in accordance with Section 626.7451, FS.

Cost Sharing Agreement

The Company had a Cost Sharing Agreement with PIM, which clarified the responsibility of certain costs with respect to the MGA agreement. The Company's parent, Poe Insurance Holdings, Inc. formerly, Poe Insurance Group, Inc., was included as a party to the agreement. The agreement stated that the MGA would pay substantially all operating costs of the Company, including costs of policy issuance, underwriting, and reinsurance management. The agreement stated that the Company would pay direct costs unique to the Company, such as legal, actuarial, and accounting fees. The Company and its affiliate, Southern Family Insurance Company, were responsible for the salary and related employee benefit costs of the President and CEO.

Tax Allocation Agreement

The Company, along with its parent and other affiliates, filed a consolidated federal income tax return. On December 31, 2002, the method of allocation of tax liability between the companies was based upon calculations on a separate return basis, including current credit.

Administrative Services Agreement

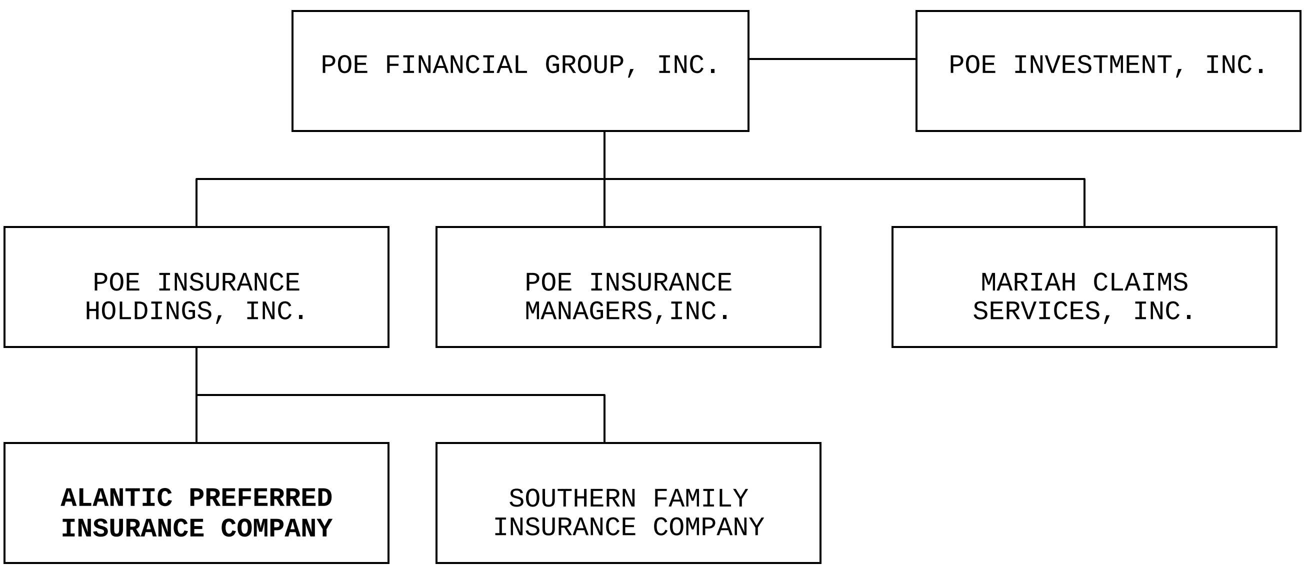
The Company had an Administrative Services Agreement with Mariah Claims Services, Inc. (MCS), an affiliate, to provide claims administration services. The Company paid $805,540 and $230,257 to MCS for those services in 2002 and 2001, respectfully.

Investment Management Advisory Consultant Fee Contract

The Company had an Investment Management Advisory Consultant Fee Contract with Poe Investments, Inc. to provide investment management services for a fee of .125 percent of the market value of the securities managed. The Company paid Poe Investments, Inc. a total of $23,369 in 2002 for those services.

A simplified organizational chart as of December 31, 2002, reflecting the holding company system, is shown below. Schedule Y of the Company's 2002 annual statement provided a list of all related companies of the holding company group.

ATLANTIC PREFERRED INSURANCE COMPANY
ORGANIZATIONAL CHART
DECEMBER 31, 2002



FIDELITY BOND AND OTHER INSURANCE

The Company maintained fidelity bond coverage up to $1,000,000 with a deductible of $25,000, which adequately covered the suggested minimum amount of coverage for the Company as recommended by the NAIC.

PENSION, STOCK OWNERSHIP, AND INSURANCE PLANS

The Company had no employees, therefore, no retirement or pension plan was provided.

STATUTORY DEPOSITS

The following securities were deposited with the State of Florida as required by Section 624.411, FS, as required or permitted by law:

State	Description	Par Value	Market Value
FL	CCC CS, 5.75%, 03/15/11	$ 150,000	$ 164,547
FL	MS CS, 6.75%, 08/15/03	200,000	166,691
Total Special Deposits		$ 300,000	$ 331,238

INSURANCE PRODUCTS AND RELATED PRACTICES

The Company provides mainly homeowners coverage throughout the State of Florida.

Territory and Plan of Operation

The Company was authorized to transact insurance in the State of Florida, in accordance with Section 624.401(2), FS.

Treatment of Policyholders

The Company had established procedures for handling written complaints in accordance with Section 626.9541(1)(j), FS.

The Company maintained a claims procedure manual that included detailed procedures for handling each type of claim.

REINSURANCE

The reinsurance agreements reviewed were found to comply with NAIC standards with respect to the standard insolvency clause, arbitration clause, transfer of risk, reporting and settlement information deadlines.

Assumed

The Company assumed risk from Citizens.

Ceded

The Company ceded risk on a quota share and excess of loss basis to Transatlantic Reinsurance Company, Everest Reinsurance Company, Converium Reinsurance, Inc., America Re-Insurance Company, Swiss Reinsurance American Corporation, Axis Specialty, LTD and General Reinsurance Corporation. The quota share agreements were entered into to cover catastrophic exposures as well as ordinary risks. The Company's quota share reinsurance agreements, brokered through an intermediary, were not fully executed within nine months of the effective date of the agreements. Paragraph 23 of Statement of Statutory Accounting Principle (SSAP) Number 62, states that a reinsurance contract must be finalized and executed within nine months of the effective date of the contract or become subject to retroactive accounting treatment. The Company was working with the Office to finalize the working of these reinsurance agreements.

Subsequent event:

The Company's quota share reinsurance agreements were duly executed by the Company and all applicable reinsurers.

The reinsurance contracts were reviewed by the Company's appointed actuary and were utilized in determining the ultimate loss opinion.

ACCOUNTS AND RECORDS

An independent CPA audited the Company's statutory basis annual financial statements for the years 2001 and 2002, in accordance with Section 624.424(8), FS. Supporting work papers were prepared by the CPA as required by Rule 4-137.002, FAC.

The Company's accounting records were maintained on a computerized system. The Company's balance sheet accounts were verified with the line items of the annual statement submitted to the Office.

The Company did not maintain an account current or an aging summary of premiums receivable by effective date, on a policy-by-policy basis, as required by Rule 4-138.024, FAC.

The MGA collected premiums on behalf of the Company but did not transfer these funds to the Company when collected. Instead, the MGA made eight transfers of net premium to the Company during the 2002 year based on the policy effective date. In addition, December 31, 2001 agents' balance of $1,520,525 and the December 31, 2002 agents' balance amount of $5,382,312 was subsequently remitted to the Company in 60 days. Pursuant to Section 625,012(5)(a)1, FS, the

MGA, a controlling person, must deposit premiums collected into a trust account within 15 working days after collection. The Company is directed to establish a trust account for the benefit of the Company and promptly remit the premium collections into the trust account. A written copy of the trust agreement must be filed with and approved by the Office prior to its becoming effective.

The Company maintained its principal operational offices in Tampa, Florida, where this examination was conducted.

Subsequent Event

The Company changed its principal operational office from 511 W. Bay Street, Suite 400, Tampa, Florida 33606 to 302 Knights Run Avenue, Suite 700, Tampa, Florida 33602.

The Company and non-affiliates had the following agreements:

Custodial Agreement

The Company utilized Smith Barney and Paine Webber as custodians for the safekeeping of the Company's securities as of December 31, 2002. Smith Barney and Paine Webber executed the Office's Custodian Form B as a broker. An investment broker does not meet the requirements of a custodian as defined in Rule 4-143.041(2), FAC. A custodian must be a national bank, state bank or trust company which has at all times aggregate capital, surplus and undivided profits of not less that $500,000 and which is regulated by either the state banking laws or is a member of the Federal Reserve System and which is legally qualified to accept custody of securities in accordance with the standards set forth in Rule 4-143.042, FAC.

The Company executed Money Manager Agreements with Wachovia Bank, which also serve as custodian agreements for the safekeeping of Company securities at December 31, 2002. These agreements were not in compliance with Rule 4-143.042(2)(k), FAC, which requires a custodian to indemnify the insurance company for any loss of custodied securities occasioned by the negligence or dishonesty of the custodian's officers or employees. In addition, a custodian is required to indemnify the insurance company for any loss of custodied securities attributable to burglary, robbery, holdup, theft, or mysterious disappearance, including loss by damage or destruction. In the event that there is such a loss, the custodian must promptly replace the securities at their stated value, along with any loss of rights or privileges resulting from said loss of securities.

Independent Auditor Agreement

The Company had an agreement with Deloitte & Touche LLP, Tampa, Florida to perform a certified audit of their financial statement for the years 2001 and 2002.

Risk-Based Capital

The Company reported its risk-based capital at an adequate level.

FINANCIAL STATEMENTS PER EXAMINATION

The following pages contain financial statements showing the Company's financial position as of December 31, 2002, and the results of its operations for the year then ended as determined by this examination. Adjustments made as a result of the examination are noted in the section of this report captioned, "Comparative Analysis of Changes in Surplus."

ATLANTIC PREFERRED INSURANCE COMPANY
Assets

DECEMBER 31, 2002

Classification	Per Company	Examination Adjustments	Per Examination
Bonds	$10,551,791		$10,551,791
Stocks:			
Common & Preferred	7,411,275		7,411,275
Cash & Short-term Investments	20,067,727		20,067,727
Agents' Balances:			
Uncollected premium	5,241,924		5,241,924
Reinsurance Recoverable	2,071,891		2,071,891
Federal Income Tax Recoverable	1,296,110		1,296,110
Interest and dividend			
income due & accrued	84,301		84,301
Totals	$46,725,019	$0	$46,725,019

ATLANTIC PREFERRED INSURANCE COMPANY
Liabilities, Surplus and Other Funds

DECEMBER 31, 2002

Liabilities	Per Company	Examination Adjustments	Per Examination
Losses	$2,613,391		$2,613,391
Loss adjustment expenses	458,660		458,660
Other expenses	88,279		88,279
Taxes, licenses and fees	1,516,102		1,516,102
Federal income taxes	632,845		632,845
Unearned premium	15,282,312		15,282,312
Ceded reinsurance premiums payable	6,605,849		6,605,849
Amounts withheld	40,908		40,908
Payable to parent, subsidiaries and affiliates	21,093		21,093
Total Liabilities	$27,259,439	$0	$27,259,439
Common capital stock	1,000		1,000
Gross paid in and contributed surplus	14,236,081		14,236,081
Unassigned funds (surplus)	5,228,499		5,228,499
Surplus as regards policyholders	19,465,580	$0	19,465,580
Total liabilities, capital and surplus	$46,725,019	$0	$46,725,019

ATLANTIC PREFERRED INSURANCE COMPANY
Statement of Income

DECEMBER 31, 2002

Underwriting Income	
Premiums earned	$22,173,392
DEDUCTIONS:	
Losses incurred	5,333,531
Loss expenses incurred	765,713
Other underwriting expenses incurred	5,286,194
Aggregate write-ins for underwriting deductions	0
Total underwriting deductions	$11,385,438
Net underwriting gain or (loss)	$10,787,954
Investment Income	
Net investment income earned	$513,159
Net realized capital gains or (losses)	(2,618,523)
Net investment gain or (loss)	($2,105,364)
Other Income	
Net gain or (loss) from agents' or premium balances charged off	$0
Finance and service charges not included in premiums	0
Aggregate write-ins for miscellaneous income	12,290
Total other income	$12,290
Net income before dividends to policyholders and before federal & foreign income taxes	$8,694,880
Dividends to policyholders	0
Net Income, after dividends to policyholders, but before federal & foreign income taxes	$8,694,880
Federal & foreign income taxes	4,561,021
Net Income	$4,133,859
Capital and Surplus Account	
Surplus as regards policyholders, December 31 prior year	$10,492,758
Gains and (Losses) in Surplus	
Net Income	$4,133,859
Net unrealized capital gains or losses	497,847
Change in net deferred income tax	1,326,168
Cumulative effect of changes in accounting principles	202,131
Change in excess statutory over statement reserves	0
Surplus adjustments: Paid in	2,945,681
Aggregate write-ins for gains and losses in surplus	(132,864)
Examination Adjustment	0
Change in surplus as regards policyholders for the year	$8,972,822
Surplus as regards policyholders, December 31 current year	$19,465,580

COMMENTS ON FINANCIAL STATEMENTS

Losses and Loss Adjustment Expenses $2,072,051

An outside actuarial firm appointed by the Board of Directors, rendered an opinion that the amounts carried in the balance sheet as of December 31, 2002, make a reasonable provision for all unpaid loss and loss expense obligations of the Company under the terms of its policies and agreements.

The Office actuary reviewed work papers provided by the Company and was in concurrence with this opinion.

ATLANTIC PREFERRED INSURANCE COMPANY
Comparative Analysis of Changes in Surplus

DECEMBER 31, 2002

The following is a reconciliation of surplus as regards policyholders between that reported by the Company and as determined by the examination.

	PER COMPANY	PER EXAM	INCREASE (DECREASE) IN SURPLUS	
Surplus as Regards Policyholders per December 31, 2002, Annual Statement				$19,465,580
ASSETS:				
LIABILITIES:				
Net Change in Surplus:				0
Surplus as Regards Policyholders December 31, 2002, Per Examination				$19,465,580

SUMMARY OF FINDINGS

Compliance with previous directives

The Company has not taken the necessary action to comply with the following comment made in the 2000 examination report issued by the Office.

Accounts and Records

The Company did not maintain an account current or an aging summary of premiums receivable by effective date, on a policy-by-policy basis, in accordance with Rule 4-138.024, FAC.

Current examination comments and corrective action

The following is a brief summary of items of interest and corrective action to be taken by the Company regarding findings in the examination as of December 31, 2002.

General

The Company had not written insurance coverage in certain lines of business for a period of two years. **The Company is directed to comply with Section 624.430, FS, and request that these lines of insurance be removed from its certificate of authority. The Company is to provide documentation of compliance to the Office within 90 days after the report is issued.**

Accounts and Records

The Company did not maintain an account current or an aging summary of premiums receivable by effective date, on a policy-by-policy basis, as required by Rule 4-138.024, FAC**. The Company is directed to maintain an aging summary of premiums receivable by effective date, on a policy-by-policy basis, as required by Rule 4-138.024, FAC.**

Accounts and Records

The MGA collected premiums on behalf of the Company but did not transfer these funds to the Company when collected. Some amounts collected were not remitted to the Company until after 60 days. **The Company is directed to set up a trust account for the benefit of the Company and promptly remit the premium collections into the trust account. A written copy of the trust agreement must be filed with and approved by the Office prior to its becoming effective, pursuant to Section 625.012(5)(a)1, FS. The Company is to provide documentation of compliance to the Office within 90 days after the report is issued.**

Custodial Agreement

The Company executed Money Manager Agreements with Wachovia Bank, which also served as custodian agreements for the safekeeping of Company securities at December 31, 2002. These agreements were not in compliance with Rule 4-143.042(2)(k), FAC. **The Company is directed to amend these agreements to comply with Rule 4-143.041(2), FAC; and to provide documentation of compliance to the Office within 90 days after the report is issued.**

CONCLUSION

The customary insurance examination practices and procedures as promulgated by the NAIC have been followed in ascertaining the financial condition of **Atlantic Preferred Insurance Company** as of December 31, 2002, consistent with the insurance laws of the State of Florida.

Per examination findings, the Company's surplus as regards policyholders was $19,465,580, which was in compliance with Section 624.408, FS.

In addition to the undersigned, Michael Hampton, CFE, CPA, DABFA, CFE Financial Examiner/Analyst Supervisor, Maurice Fuller, Financial Examiner/Analyst I and Doug Haseltine, Actuary, participated in the examination.

Respectfully submitted,

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Donna Letterio, CFE, CPA, MS
Financial Examiner/Analyst II
Florida Office of Insurance Regulation