



ANNUAL STATEMENT

For the Year Ended December 31, 2012
of the Condition and Affairs of the

COMP OPTIONS INSURANCE COMPANY, INC.

NAIC Group Code.....536, 536 (Current Period) (Prior Period)	NAIC Company Code..... 10834	Employer's ID Number..... 59-3433503
Organized under the Laws of Florida	State of Domicile or Port of Entry Florida	Country of Domicile US
Incorporated/Organized..... July 28, 1997	Commenced Business..... September 2, 1997	
Statutory Home Office	4800 DEERWOD CAMPUS PKWY, DCC 801..... JACKSONVILLE FL US 32246 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	4800 DEERWOD CAMPUS PKWY, DCC 801..... JACKSONVILLE FL US..... 32246 904-905-4819 <i>(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)</i>	
Mail Address	4800 DEERWOD CAMPUS PKWY, DCC 801..... JACKSONVILLE FL US 32246 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	4800 DEERWOD CAMPUS PKWY, DCC 801..... JACKSONVILLE FL US 32246 904-905-0749 <i>(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)</i>	
Internet Web Site Address	WWW.OPTACOMP.COM	
Statutory Statement Contact	JOSEPH CHRISTOPHER SANTORE JR <i>(Name)</i> joe.santore@bcbsfl.com <i>(E-Mail Address)</i>	904-905-0749 <i>(Area Code) (Telephone Number) (Extension)</i> 904-997-5966 <i>(Fax Number)</i>

OFFICERS

Name	Title	Name	Title
1. JOSEPH CHRISTOPHER SANTORE JR	C.E.O. & President	2. JARROD WENDELL HARMON	Secretary
3.		4.	

OTHER

DIRECTORS OR TRUSTEES

STEPHEN ROBERT BOOMA	JAMES CARL MODAFF	ELANA GAIL SCHRADER	DARNELL (NMN) SMITH
JON RICHARD URBANEK	DEANNA MARIE MCDONALD		

State of..... FLORIDA
County of..... DUVAL

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

_____ (Signature) JOSEPH CHRISTOPHER SANTORE JR	_____ (Signature) JARROD WENDELL HARMON	_____ (Signature)
1. (Printed Name) C.E.O. & President	2. (Printed Name) Secretary	3. (Printed Name)
_____ (Title)	_____ (Title)	_____ (Title)

Subscribed and sworn to before me
This 19th day of February 2013

a. Is this an original filing? Yes [X] No []
b. If no 1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	32,490,742		32,490,742	24,381,956
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	3,393,208
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....11,483,579, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	11,483,579		11,483,579	6,291,338
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives (Schedule DB).....			.0	
8. Other invested assets (Schedule BA).....			.0	
9. Receivables for securities.....			.0	
10. Securities lending reinvested collateral assets (Schedule DL).....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	43,974,321	.0	43,974,321	34,066,502
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	76,111		76,111	57,435
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	2,524,947	392,878	2,132,069	3,455,246
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	12,241,224		12,241,224	7,715,984
15.3 Accrued retrospective premiums.....			.0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	2,853,077		2,853,077	13,368,843
16.2 Funds held by or deposited with reinsured companies.....			.0	
16.3 Other amounts receivable under reinsurance contracts.....	420,791		420,791	7,736,929
17. Amounts receivable relating to uninsured plans.....	993,032		993,032	945,299
18.1 Current federal and foreign income tax recoverable and interest thereon.....	121,273		121,273	902,340
18.2 Net deferred tax asset.....	2,519,440	2,134,739	384,701	
19. Guaranty funds receivable or on deposit.....			.0	
20. Electronic data processing equipment and software.....			.0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....	17,015		17,015	149,996
24. Health care (\$.....0) and other amounts receivable.....			.0	
25. Aggregate write-ins for other than invested assets.....	1,490,439	236,977	1,253,462	.0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	67,231,670	2,764,594	64,467,076	68,398,574
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. TOTALS (Lines 26 and 27).....	67,231,670	2,764,594	64,467,076	68,398,574

DETAILS OF WRITE-INS

1101.....			.0	
1102.....			.0	
1103.....			.0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0	.0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501. PREPAID EXPENSES.....	236,977	236,977	.0	
2502. PREPAID REINSURANCE PREMIUMS.....	1,253,462		1,253,462	
2503.....			.0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0	.0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	1,490,439	236,977	1,253,462	.0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	9,474,941	8,109,182
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	2,960,200	2,482,149
4. Commissions payable, contingent commissions and other similar charges.....	1,581,229	1,082,549
5. Other expenses (excluding taxes, licenses and fees).....	1,530,622	1,529,878
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	309,718	184,459
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....		
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....7,543,803 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act).....	7,543,803	5,564,815
10. Advance premium.....	122,826	227,752
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	6,941,993	22,720,477
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....		
14. Amounts withheld or retained by company for account of others.....	5,053,702	2,642,660
15. Remittances and items not allocated.....		
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 8).....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	1,852,682	1,993,310
20. Derivatives.....		
21. Payable for securities.....		
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	37,371,716	46,537,231
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	37,371,716	46,537,231
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	1,000,000	1,000,000
31. Preferred capital stock.....		
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....	1,400,000	1,400,000
34. Gross paid in and contributed surplus.....	31,700,000	29,200,000
35. Unassigned funds (surplus).....	(7,004,640)	(9,738,656)
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	27,095,360	21,861,344
38. TOTALS (Page 2, Line 28, Col. 3).....	64,467,076	68,398,575

DETAILS OF WRITE-INS

2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	0	0
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	15,759,395	14,155,748
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7).....	9,639,198	8,269,329
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	2,564,005	1,588,097
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	4,731,875	13,967,608
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	16,935,078	23,825,034
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	(1,175,683)	(9,669,286)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	756,468	937,615
10. Net realized capital gains (losses) less capital gains tax of \$.....747,122 (Exhibit of Capital Gains (Losses)).....	1,387,513	
11. Net investment gain (loss) (Lines 9 + 10).....	2,143,981	937,615
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0	
13. Finance and service charges not included in premiums.....		
14. Aggregate write-ins for miscellaneous income.....	(8,119,596)	0
15. Total other income (Lines 12 through 14).....	(8,119,596)	0
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	(7,151,299)	(8,731,671)
17. Dividends to policyholders.....	1,440,667	1,414,126
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	(8,591,966)	(10,145,797)
19. Federal and foreign income taxes incurred.....	(252,915)	(5,036,402)
20. Net income (Line 18 minus Line 19) (to Line 22).....	(8,339,051)	(5,109,395)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	21,861,344	21,103,829
22. Net income (from Line 20).....	(8,339,051)	(5,109,395)
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....230,163.....	427,445	(209,507)
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	(281,576)	(1,694,445)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	10,927,198	1,981,962
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....		
29. Change in surplus notes.....		
30. Surplus (contributed to) withdrawn from protected cells.....		
31. Cumulative effect of changes in accounting principles.....		
32. Capital changes:		
32.1 Paid in.....		
32.2 Transferred from surplus (Stock Dividend).....		
32.3 Transferred to surplus.....		
33. Surplus adjustments:		
33.1 Paid in.....	2,500,000	7,000,000
33.2 Transferred to capital (Stock Dividend).....		
33.3. Transferred from capital.....		
34. Net remittances from or (to) Home Office.....		
35. Dividends to stockholders.....		
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....		
37. Aggregate write-ins for gains and losses in surplus.....	0	(1,211,100)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	5,234,017	757,515
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	27,095,360	21,861,344
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0
1401. Loss on write off of capitalized software.....	(4,912,182)	
1402. Loss on write off of goodwill.....	(3,207,414)	
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	(8,119,596)	0
3701. ADDITIONAL ADMITTED DTA.....		(1,211,100)
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	(1,211,100)

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	(1,040,453)	29,099,946
2. Net investment income.....	735,264	935,210
3. Miscellaneous income.....		
4. Total (Lines 1 through 3).....	(305,190)	30,035,156
5. Benefit and loss related payments.....	(9,558,465)	23,467,411
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	6,240,879	15,228,578
8. Dividends paid to policyholders.....	1,440,667	1,583,173
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(286,860)	(5,633,095)
10. Total (Lines 5 through 9).....	(2,163,779)	34,646,067
11. Net cash from operations (Line 4 minus Line 10).....	1,858,590	(4,610,911)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	26,219,417	
12.2 Stocks.....	3,779,581	
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	29,998,998	0
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	31,899,492	
13.2 Stocks.....	20,313	87,606
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	31,919,805	87,606
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(1,920,807)	(87,606)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....	2,500,000	7,000,000
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	2,754,458	(4,142,429)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	5,254,458	2,857,571
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	5,192,241	(1,840,946)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	6,291,338	8,132,284
19.2 End of year (Line 18 plus Line 19.1).....	11,483,579	6,291,338

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001		
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UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....				.0
2. Allied lines.....				.0
3. Farmowners multiple peril.....				.0
4. Homeowners multiple peril.....				.0
5. Commercial multiple peril.....				.0
6. Mortgage guaranty.....				.0
8. Ocean marine.....				.0
9. Inland marine.....				.0
10. Financial guaranty.....				.0
11.1 Medical professional liability - occurrence.....				.0
11.2 Medical professional liability - claims-made.....				.0
12. Earthquake.....				.0
13. Group accident and health.....				.0
14. Credit accident and health (group and individual).....				.0
15. Other accident and health.....				.0
16. Workers' compensation.....	17,738,383	5,564,815	7,543,803	15,759,395
17.1 Other liability - occurrence.....				.0
17.2 Other liability - claims-made.....				.0
17.3 Excess workers' compensation.....				.0
18.1 Products liability - occurrence.....				.0
18.2 Products liability - claims-made.....				.0
19.1, 19.2 Private passenger auto liability.....				.0
19.3, 19.4 Commercial auto liability.....				.0
21. Auto physical damage.....				.0
22. Aircraft (all perils).....				.0
23. Fidelity.....				.0
24. Surety.....				.0
26. Burglary and theft.....				.0
27. Boiler and machinery.....				.0
28. Credit.....				.0
29. International.....				.0
30. Warranty.....				.0
31. Reinsurance - nonproportional assumed property.....				.0
32. Reinsurance - nonproportional assumed liability.....				.0
33. Reinsurance - nonproportional assumed financial lines.....				.0
34. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0
35. TOTALS.....	17,738,383	5,564,815	7,543,803	15,759,395

DETAILS OF WRITE-INS

3401. ....				.0
3402. ....				.0
3403. ....				.0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	.0	.0	.0	.0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	.0	.0	.0	.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	1	2	3	4	5
Line of Business	Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire.....					.0
2. Allied lines.....					.0
3. Farmowners multiple peril.....					.0
4. Homeowners multiple peril.....					.0
5. Commercial multiple peril.....					.0
6. Mortgage guaranty.....					.0
8. Ocean marine.....					.0
9. Inland marine.....					.0
10. Financial guaranty.....					.0
11.1 Medical professional liability - occurrence.....					.0
11.2 Medical professional liability - claims-made.....					.0
12. Earthquake.....					.0
13. Group accident and health.....					.0
14. Credit accident and health (group and individual).....					.0
15. Other accident and health.....					.0
16. Workers' compensation.....	7,543,803				7,543,803
17.1 Other liability - occurrence.....					.0
17.2 Other liability - claims-made.....					.0
17.3 Excess workers' compensation.....					.0
18.1 Products liability - occurrence.....					.0
18.2 Products liability - claims-made.....					.0
19.1, 19.2 Private passenger auto liability.....					.0
19.3, 19.4 Commercial auto liability.....					.0
21. Auto physical damage.....					.0
22. Aircraft (all perils).....					.0
23. Fidelity.....					.0
24. Surety.....					.0
26. Burglary and theft.....					.0
27. Boiler and machinery.....					.0
28. Credit.....					.0
29. International.....					.0
30. Warranty.....					.0
31. Reinsurance - nonproportional assumed property.....					.0
32. Reinsurance - nonproportional assumed liability.....					.0
33. Reinsurance - nonproportional assumed financial lines.....					.0
34. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0
35. TOTALS.....	7,543,803	.0	.0	.0	7,543,803
36. Accrued retrospective premiums based on experience.....					
37. Earned but unbilled premiums.....					.0
38. Balance (sum of Lines 35 through 37).....					7,543,803

DETAILS OF WRITE-INS

3401. ....					.0
3402. ....					.0
3403. ....					.0
3498. Summary of remaining write-ins for Line 34 from overflow page....	.0	.0	.0	.0	.0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	.0	.0	.0	.0	.0

(a) State here basis of computation used in each case:

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....						0
2. Allied lines.....						0
3. Farmowners multiple peril.....						0
4. Homeowners multiple peril.....						0
5. Commercial multiple peril.....						0
6. Mortgage guaranty.....						0
8. Ocean marine.....						0
9. Inland marine.....						0
10. Financial guaranty.....						0
11.1 Medical professional liability - occurrence.....						0
11.2 Medical professional liability - claims-made.....						0
12. Earthquake.....						0
13. Group accident and health.....						0
14. Credit accident and health (group and individual).....						0
15. Other accident and health.....						0
16. Workers' compensation.....	36,972,506			18,556,588	677,535	17,738,383
17.1 Other liability - occurrence.....						0
17.2 Other liability - claims-made.....						0
17.3 Excess workers' compensation.....						0
18.1 Products liability - occurrence.....						0
18.2 Products liability - claims-made.....						0
19.1, 19.2 Private passenger auto liability.....						0
19.3, 19.4 Commercial auto liability.....						0
21. Auto physical damage.....						0
22. Aircraft (all perils).....						0
23. Fidelity.....						0
24. Surety.....						0
26. Burglary and theft.....						0
27. Boiler and machinery.....						0
28. Credit.....						0
29. International.....						0
30. Warranty.....						0
31. Reinsurance - nonproportional assumed property.....	.XXX					0
32. Reinsurance - nonproportional assumed liability.....	.XXX					0
33. Reinsurance - nonproportional assumed financial lines.....	.XXX					0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
35. TOTALS.....	36,972,506	0	0	18,556,588	677,535	17,738,383

DETAILS OF WRITE-INS

3401.						0
3402.						0
3403.						0
3498. Summary of remaining write-ins for Line 34 from overflow page..	0	0	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [] No [X]

If yes: 1. The amount of such installment premiums \$.00

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.00

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire.....				.0			.0	
2. Allied lines.....				.0			.0	
3. Farmowners multiple peril.....				.0			.0	
4. Homeowners multiple peril.....				.0			.0	
5. Commercial multiple peril.....				.0			.0	
6. Mortgage guaranty.....				.0			.0	
8. Ocean marine.....				.0			.0	
9. Inland marine.....				.0			.0	
10. Financial guaranty.....				.0			.0	
11.1 Medical professional liability - occurrence.....				.0			.0	
11.2 Medical professional liability - claims-made.....				.0			.0	
12. Earthquake.....				.0			.0	
13. Group accident and health.....				.0			.0	
14. Credit accident and health (group and individual).....				.0			.0	
15. Other accident and health.....				.0			.0	
16. Workers' compensation.....	16,362,359		8,088,920	8,273,439	9,474,941	8,109,182	9,639,198	.61.2
17.1 Other liability - occurrence.....				.0			.0	
17.2 Other liability - claims-made.....				.0			.0	
17.3 Excess workers' compensation.....				.0			.0	
18.1 Products liability - occurrence.....				.0			.0	
18.2 Products liability - claims-made.....				.0			.0	
19.1, 19.2 Private passenger auto liability.....				.0			.0	
19.3, 19.4 Commercial auto liability.....				.0			.0	
21. Auto physical damage.....				.0			.0	
22. Aircraft (all perils).....				.0			.0	
23. Fidelity.....				.0			.0	
24. Surety.....				.0			.0	
26. Burglary and theft.....				.0			.0	
27. Boiler and machinery.....				.0			.0	
28. Credit.....				.0			.0	
29. International.....				.0			.0	
30. Warranty.....				.0			.0	
31. Reinsurance - nonproportional assumed property.....	XXX			.0			.0	
32. Reinsurance - nonproportional assumed liability.....	XXX			.0			.0	
33. Reinsurance - nonproportional assumed financial lines.....	XXX			.0			.0	
34. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0	.0	
35. TOTALS.....	16,362,359	.0	8,088,920	8,273,439	9,474,941	8,109,182	9,639,198	.61.2

DETAILS OF WRITE-INS

3401. ....				.0			.0	
3402. ....				.0			.0	
3403. ....				.0			.0	
3498. Summary of remaining write-ins for Line 34 from overflow page.....	.0	.0	.0	.0	.0	.0	.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	.0	.0	.0	.0	.0	.0	.0	

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire.....				0				0	
2. Allied lines.....				0				0	
3. Farmowners multiple peril.....				0				0	
4. Homeowners multiple peril.....				0				0	
5. Commercial multiple peril.....				0				0	
6. Mortgage guaranty.....				0				0	
8. Ocean marine.....				0				0	
9. Inland marine.....				0				0	
10. Financial guaranty.....				0				0	
11.1 Medical professional liability - occurrence.....				0				0	
11.2 Medical professional liability - claims-made.....				0				0	
12. Earthquake.....				0				0	
13. Group accident and health.....				0				(a) 0	
14. Credit accident and health (group and individual).....				0				0	
15. Other accident and health.....				0				(a) 0	
16. Workers' compensation.....	7,647,744		3,983,015	3,664,729	16,427,199		10,616,987	9,474,941	2,960,200
17.1 Other liability - occurrence.....				0				0	
17.2 Other liability - claims-made.....				0				0	
17.3 Excess workers' compensation.....				0				0	
18.1 Products liability - occurrence.....				0				0	
18.2 Products liability - claims-made.....				0				0	
19.1, 19.2 Private passenger auto liability.....				0				0	
19.3, 19.4 Commercial auto liability.....				0				0	
21. Auto physical damage.....				0				0	
22. Aircraft (all perils).....				0				0	
23. Fidelity.....				0				0	
24. Surety.....				0				0	
26. Burglary and theft.....				0				0	
27. Boiler and machinery.....				0				0	
28. Credit.....				0				0	
29. International.....				0				0	
30. Warranty.....				0				0	
31. Reinsurance - nonproportional assumed property.....	XXX			0	XXX			0	
32. Reinsurance - nonproportional assumed liability.....	XXX			0	XXX			0	
33. Reinsurance - nonproportional assumed financial lines.....	XXX			0	XXX			0	
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
35. TOTALS.....	7,647,744	0	3,983,015	3,664,729	16,427,199	0	10,616,987	9,474,941	2,960,200
DETAILS OF WRITE-INS									
3401.				0				0	
3402.				0				0	
3403.				0				0	
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0	0

(a) Including \$.....0 for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct.....	2,704,168			2,704,168
1.2 Reinsurance assumed.....				0
1.3 Reinsurance ceded.....	2,888,029			2,888,029
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	(183,861)	0	0	(183,861)
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		4,089,159		4,089,159
2.2 Reinsurance assumed, excluding contingent.....				0
2.3 Reinsurance ceded, excluding contingent.....		2,044,579		2,044,579
2.4 Contingent - direct.....				0
2.5 Contingent - reinsurance assumed.....				0
2.6 Contingent - reinsurance ceded.....				0
2.7 Policy and membership fees.....				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	2,044,580	0	2,044,580
3. Allowances to manager and agents.....				0
4. Advertising.....	2,977	29,717		32,694
5. Boards, bureaus and associations.....	558	206,357		206,915
6. Surveys and underwriting reports.....	2,674	4,934		7,608
7. Audit of assureds' records.....		114,828		114,828
8. Salary and related items:				
8.1 Salaries.....	1,948,263	7,526,643		9,474,906
8.2 Payroll taxes.....	248,571	409,515		658,086
9. Employee relations and welfare.....	301,990	1,222,659		1,524,649
10. Insurance.....	4,217	13,140		17,357
11. Directors' fees.....				0
12. Travel and travel items.....	27,761	141,007		168,768
13. Rent and rent items.....	6,385	655,831		662,216
14. Equipment.....	72,550	589,414		661,964
15. Cost or depreciation of EDP equipment and software.....		900,110		900,110
16. Printing and stationery.....	19,139	145,785		164,924
17. Postage, telephone and telegraph, exchange and express.....	68,578	421,613		490,191
18. Legal and auditing.....	32,601	763,089	70,087	865,777
19. Totals (Lines 3 to 18).....	2,736,264	13,144,642	70,087	15,950,993
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....	44	81,251		81,295
20.2 Insurance department licenses and fees.....		2,970		2,970
20.3 Gross guaranty association assessments.....		572,694		572,694
20.4 All other (excluding federal and foreign income and real estate).....		30,232		30,232
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	44	687,147	0	687,191
21. Real estate expenses.....				0
22. Real estate taxes.....				0
23. Reimbursements by uninsured plans.....		(11,642,467)		(11,642,467)
24. Aggregate write-ins for miscellaneous expenses.....	11,558	497,973	0	509,531
25. Total expenses incurred.....	2,564,005	4,731,875	70,087	(a) 7,365,967
26. Less unpaid expenses - current year.....	2,960,200	3,421,569		6,381,769
27. Add unpaid expenses - prior year.....	2,482,149	2,796,886		5,279,035
28. Amounts receivable relating to uninsured plans, prior year.....		945,299		945,299
29. Amounts receivable relating to uninsured plans, current year.....		993,032		993,032
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	2,085,954	4,154,925	70,087	6,310,966

DETAILS OF WRITE-INS

2401. Misc Income.....	11,558	32,213		43,771
2402. Interest on Surplus Note.....		46,200		46,200
2403. Goodwill Amortization.....		85,378		85,378
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	334,182	0	334,182
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	11,558	497,973	0	509,531

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....27,000	.....29,528
1.1 Bonds exempt from U.S. tax.....	(a).....	.....
1.2 Other bonds (unaffiliated).....	(a).....758,036	.....776,713
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....20,314	.....20,314
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....	.....
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	805,350	826,555
11. Investment expenses.....	.....	(g).....70,087
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....
13. Interest expense.....	.....	(h).....
14. Depreciation on real estate and other invested assets.....	.....	(i).....0
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	70,087
17. Net investment income (Line 10 minus Line 16).....	.....	756,468

DETAILS OF WRITE-INS

0901. ....	.....	.....
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	.....	.....0

- (a) Includes \$.....2,528 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....	.....	.....0	.....	.....
1.1 Bonds exempt from U.S. tax.....	.....	.....	.....0	.....	.....
1.2 Other bonds (unaffiliated).....	.....2,426,183	.....	.....2,426,183	.....	.....
1.3 Bonds of affiliates.....	.....	.....	.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....	.....	.....	.....0	.....	.....
2.11 Preferred stocks of affiliates.....	.....	.....	.....0	.....	.....
2.2 Common stocks (unaffiliated).....	.....(291,548)	.....	.....(291,548)	.....657,608	.....
2.21 Common stocks of affiliates.....	.....	.....	.....0	.....	.....
3. Mortgage loans.....	.....	.....	.....0	.....	.....
4. Real estate.....	.....	.....	.....0	.....	.....
5. Contract loans.....	.....	.....	.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....	.....	.....	.....0	.....	.....
7. Derivative instruments.....	.....	.....	.....0	.....	.....
8. Other invested assets.....	.....	.....	.....0	.....	.....
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	2,134,635	.....0	2,134,635	657,608	.....0

DETAILS OF WRITE-INS

0901. ....	.....	.....	.....0	.....	.....
0902. ....	.....	.....	.....0	.....	.....
0903. ....	.....	.....	.....0	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0	.....0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			.0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			.0
2.2 Common stocks.....			.0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			.0
3.2 Other than first liens.....			.0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			.0
4.2 Properties held for the production of income.....			.0
4.3 Properties held for sale.....			.0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			.0
6. Contract loans.....			.0
7. Derivatives (Schedule DB).....			.0
8. Other invested assets (Schedule BA).....			.0
9. Receivables for securities.....			.0
10. Securities lending reinvested collateral assets (Schedule DL).....			.0
11. Aggregate write-ins for invested assets.....	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	.0	.0	.0
13. Title plants (for Title insurers only).....			.0
14. Investment income due and accrued.....			.0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	392,878	699,515	306,637
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			.0
15.3 Accrued retrospective premiums.....			.0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			.0
16.2 Funds held by or deposited with reinsured companies.....			.0
16.3 Other amounts receivable under reinsurance contracts.....			.0
17. Amounts receivable relating to uninsured plans.....			.0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0
18.2 Net deferred tax asset.....	2,134,739	3,031,179	896,440
19. Guaranty funds receivable or on deposit.....			.0
20. Electronic data processing equipment and software.....		6,371,953	6,371,953
21. Furniture and equipment, including health care delivery assets.....			.0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0
23. Receivables from parent, subsidiaries and affiliates.....			.0
24. Health care and other amounts receivable.....			.0
25. Aggregate write-ins for other than invested assets.....	236,977	3,589,149	3,352,172
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	2,764,594	13,691,796	10,927,202
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0
28. TOTALS (Lines 26 and 27).....	2,764,594	13,691,796	10,927,202

DETAILS OF WRITE-INS

1101.....			.0
1102.....			.0
1103.....			.0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.0	.0	.0
2501. INTANGIBLE ASSETS.....		3,362,646	3,362,646
2502. PREPAID EXPENSE.....	236,977	226,503	(10,474)
2503.....			.0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	236,977	3,589,149	3,352,172

NOTES TO FINANCIAL STATEMENTS**1. Summary of Significant Accounting Practices**

- A. The financial statements of Comp Options Insurance Company, Inc. (doing business as OptaComp) are presented on the basis of accounting practices prescribed or permitted by the Florida Office of Insurance Regulation ("OIR").

The Florida OIR requires insurance companies domiciled in the state of Florida to prepare statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual*, subject to any deviations prescribed or permitted by the Florida OIR.

At December 31, 2012, no differences exist in the Company's net income and surplus between NAIC SAP and practices prescribed and permitted by the State of Florida.

- B. The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the amounts reported in these financial statements and notes. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.
- C. Direct and ceded premiums are earned over the terms of the related insurance policies. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods. Expenses incurred in connection with the acquisition of new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable. In addition the Company uses the following accounting policies:

Third party workers' compensation administration fee revenues are recorded in the period they are earned. Such fees are netted against underwriting expenses for reporting purposes.

Net investment income consists primarily of interest and dividend income, less investment related expense. Interest is recognized on an accrual basis and dividends are reported on an ex-dividend basis. Net realized capital gains (losses) are recognized on a specific identification basis when securities are sold, redeemed or otherwise disposed. Realized capital losses may include write downs when impairments exist which are considered to be other than temporary.

1. Short-term investments generally consist of overnight repo's and money market funds and are stated at amortized cost.
2. Bonds are stated at amortized cost using the interest method.
3. Common stocks are stated at fair value.
4. Not applicable.
5. Not applicable.
6. Not applicable.
7. Not applicable.
8. Not applicable.
9. Not applicable.
10. Not applicable.
11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on actuarial studies for those losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making these estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
12. The Company has a written capitalization policy for prepaid expenses and purchases of such items as computer software and other equipment. The predefined capitalization thresholds under this policy have not changed from those of the prior year.
13. Not applicable as the Company does not write major medical insurance with prescription drug coverage.

2. Accounting Changes and Corrections of Errors

- A. Not applicable.

3. Business Combinations and Goodwill

- A. Not applicable.
 B. Not applicable.
 C. See Item 21A

4. Discontinued Operations

Not applicable.

5. Investments

- A. Not applicable.
 B. Not applicable.
 C. Not applicable.
 D. Not applicable.
 E. Not applicable.
 F. Not applicable.
 G. Not applicable.

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. Not applicable.
 B. Not applicable.

7. Investment Income

- A. The Company non admits investment income due and accrued if amounts are over 90 days past due.
 B. No investment income was non admitted in 2012 or 2011.

8. Derivative Instruments

Not applicable.

NOTES TO FINANCIAL STATEMENTS

9. INCOME TAXES

- A. SSAP No. 101, *Income Taxes – A Replacement of SSAP No. 10R* (SSAP No. 101) is a revised income tax accounting standard adopted by the NAIC, effective for 2012 and future years. This guidance provides that the deferred tax asset admissibility guidance is no longer elective, and the reversal and surplus limitation parameters in the admissibility tests are determined based on the risk-based capital level. It also requires gross deferred tax assets to be reduced by a statutory valuation allowance if it is more likely than not that some portion or all of the gross deferred tax assets will not be realized. Considerable judgment is required in determining whether a valuation allowance is necessary, and if so, the amount of such valuation allowance. In evaluating the need for a valuation allowance the company considers many factors, including: (1) the nature of the deferred tax assets and liabilities; (2) whether they are ordinary or capital; (3) the timing of their reversal; (4) taxable income in prior carry back years as well as projected taxable earnings exclusive of reversing temporary differences and carry forwards; (5) the length of time that carryovers can be utilized; (6) unique tax rules that would impact the utilization of the deferred tax assets; and (7) any tax planning strategies that the Company would employ to avoid a tax benefit from expiring unused. Finally, the guidance sets a more likely than not threshold for the recording of contingent tax liabilities. Adoption of SSAP No. 101 had no effect on surplus.

Calendar year 2011 data has been revised to follow the SSAP 101 disclosure requirements to allow for better comparison. In revising the calendar year 2011 information no amounts have been recalculated or changed.

The components of the net deferred tax assets (DTA) were as follows at December 31, 2012 and 2011:

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NOTES TO FINANCIAL STATEMENTS

1. Description	12/31/2012			12/31/2011			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	(1) + (2) Total	Ordinary	Capital	(4) + (5) Total	(1) - (4) Ordinary	(2) - (5) Capital	(7) + (8) Total
(a) Gross Deferred Tax Assets	\$ 2,522,982	\$ -	\$ 2,522,982	\$ 2,803,716	\$ 230,163	\$ 3,033,879	\$ (280,734)	\$ (230,163)	\$ (510,897)
(b) Statutory Valuation Allowance Adjustment	-	-	-	-	-	-	-	-	-
(c) Adjusted Gross Deferred Tax Assets (a) - (b)	2,522,982	-	2,522,982	2,803,716	230,163	3,033,879	(280,734)	(,280,734)	(510,897)
(d) Deferred Tax Liabilities	3,542	-	3,542	2,700	-	2,700	842	-	842
(e) Subtotal (Net Deferred Tax Assets) (c)-(d)	2,519,440	-	2,519,440	2,801,016	230,163	3,031,179	(281,576)		(511,739)
(f) Deferred Tax Assets Nonadmitted	2,134,739	-	2,134,739	2,801,016		3,031,179		(230,163)	(896,440)
(g) Net Admitted Deferred Tax Assets ((e)-(f))	\$ 384,701	\$ -	\$ 384,701	\$ -	\$ -	\$ -	\$ 384,701	\$ -	\$ 384,701

14.2

The Company has evaluated the admission of DTAs under SSAP 101 as follows:

NOTES TO FINANCIAL STATEMENTS

2.	12/31/2012			12/31/2011			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Admission Calculation Components SSAP No. 101	Ordinary	Capital	(1) + (2) Total	Ordinary	Capital	(4) + (5) Total	(1) - (4) Ordinary	(2) - (5) Capital	(7) + (8) Total
(a) Federal income tax paid in prior years recoverable through loss carrybacks	\$ 384,701	\$ -	\$ 384,701	\$ -	\$ -	\$ -	\$ 384,701	\$ -	\$ 384,701
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2 (a) above) after application of the threshold limitation (lesser of 2 (b) 1 and 2 (b) 2 below)	-	-	-	-	-	-	-	-	-
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	-	-	-	-	-	-	-	-	-
2. Adjusted gross deferred tax assets allowed per limitation threshold	N/A	N/A	4,006,599	N/A	N/A	3,279,202	N/A	N/A	727,397
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2 (a) and 2 (b) above) offset by gross deferred tax liabilities	3,542	-	-	2,700	-	2,700	842	-	842
(d) Deferred tax assets admitted as a result of application of SSAP No. 101 Total (2 (a) + 2 (b) + 2 (C))	\$ 388,243	\$ -	\$ 388,243	\$ 2,700	\$ -	\$ 2,700	\$ 385,543	\$ -	\$ 385,543

14.3

3.	2012	2011
(a) Ratio percentage used to determine recovery period and threshold limitation amount	3,790%	485%
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2 (b) 2 above	27,095,360	21,861,344

- 4.
- (a) Impact of tax Planning Strategies
None
 - (b) All deferred tax liabilities have been recognized for amounts discribed in SSAP No. 101.
 - (c) Current income taxes incurred consist of the following major components:

NOTES TO FINANCIAL STATEMENTS

	(1) 12/31/2012	(2) 12/31/2011	(3) (Col 1-2) Change
1. Current Income Tax			
(a) Federal	\$ (252,915)	\$ (5,036,402)	\$ 4,783,487
(b) Foreign	-	-	-
(c) Subtotal	\$ (252,915)	\$ (5,036,402)	\$ 4,783,487
(d) Federal income tax on net capital gains	747,122	-	747,122
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	-	-	-
	<u>\$ 494,207</u>	<u>\$ (5,036,402)</u>	<u>\$ 5,530,609</u>
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 541,746	\$ 452,586	\$ 89,160
(2) Unearned premium reserve	536,663	405,479	131,184
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	422,149	720,237	(298,088)
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	137,507	244,830	(107,323)
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	-	-	-
(13.1) Other - Goodwill	884,917	980,584	(95,667)
(13.2) Other (including items <5% of total ordinary tax assets)	-	-	-
(99) Subtotal	<u>2,522,982</u>	<u>2,803,716</u>	<u>(208,734)</u>
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	2,134,739	2,801,016	(666,277)
(d) Admitted ordinary deferred tax assets (2a99 - 2b- 2c)	<u>388,243</u>	<u>2,700</u>	<u>385,543</u>
(e) Capital:			
(1) Investments	-	230,163	(230,163)
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total ordinary tax assets)	-	-	-
(99) Subtotal	-	230,163	(230,163)
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	230,163	(230,163)
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	-	-	-
(i) Admitted deferred tax assets (2d + 2h)	<u>\$ 388,243</u>	<u>\$ 2,700</u>	<u>\$ 385,543</u>
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$ 3,542	\$ 2,700	\$ 842
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5.1) Premium Tax credit receivable	-	-	-
(5.2) IBNR	-	-	-
(5.3) Unearned premium reserve	-	-	-
(5.4) Other (including items <5% of total ordinary tax liabilities)	-	-	-
(99) Subtotal	<u>3,542</u>	<u>2,700</u>	<u>842</u>
(b) Capital			
(1) Investments	-	-	-
(2) Real estate	-	-	-
(3) Other (including items <5% of total capital tax liabilities)	-	-	-
(99) Subtotal	<u>-</u>	<u>-</u>	<u>-</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>\$ 3,542</u>	<u>\$ 2,700</u>	<u>\$ 842</u>
4. Net deferred tax assets/liabilities (2i - 3c)	<u>\$ 384,701</u>	<u>\$ -</u>	<u>\$ 384,701</u>

NOTES TO FINANCIAL STATEMENTS

(3) The Company had no investment tax credits.

(4) No adjustments were made to deferred tax liabilities or deferred tax assets for enacted changes in tax laws or rates.

B. The Company's income tax expense/(benefit) and changes in deferred tax assets and deferred tax liabilities differ from the amount obtained by applying the federal statutory rate of 35% to pretax net income/(loss) for the following reasons, for the years ended December 31, 2012 and 2011:

	2012	2011
(1) Expected federal income tax expense	\$ (2,745,697)	\$ (3,551,029)
(2) Nondeductible Expenses	8,537	27,625
(3) Change in Unrealized Gains	230,163	(112,811)
(4) Prior year adjustments	2,176	226
(5) Change in Nonadmitted Assets	3,510,767	181,222
(6) Total incurred income tax expense/(benefit)	<u>\$ 1,005,946</u>	<u>\$ (3,454,767)</u>
Income taxes incurred	\$ 494,207	\$ (5,036,402)
Change in net deferred income taxes	511,739	1,581,635
Total statutory income taxes	<u>\$ 1,005,946</u>	<u>\$ (3,454,767)</u>

C. (1) As of December 31, 2012 and 2011, the Company had no operating or capital loss carry-forwards.

(2) The following federal income taxes incurred in the current and prior years will be available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2010	\$ -	\$ -	\$ -
2011	-	-	-
2012	384,701	-	384,701
Total	<u>\$ 384,701</u>	<u>\$ -</u>	<u>\$ 384,701</u>

(3) The Company does not have any of protective tax deposits with the Internal Revenue Service under Section 6603 of the Internal Revenue Service Code as of December 31, 2012 or 2011.

D. (1) For the tax year ended 2012, the Company is included in a consolidated federal income tax return filed for its parent company, BCBSF and the following subsidiaries:

- Diversified Health Services, Inc.
- Diversified Services Options, Inc.
- First Coast Service Options, Inc.
- Health Options, Inc.
- Florida Health Care Plans, Inc.
- Atlantic Institute of Clinical Research, Inc.
- Florida Health Care Plan, Provider Option, Inc.
- East Coast Bariatrics, Inc.
- Navigy, Inc.
- Navigy Holdings, Inc.
- Incepture, Inc.
- GuideWell, Inc.
- Novitas Solutions, Inc.
- Diagnostic Clinic Medical Group, Inc.

(2) The method of allocation of income tax liability is subject to written agreement among the companies. The agreement provides that a company with a net operating loss is reimbursed for the tax benefit associated with its loss in the year the loss is used in the consolidated federal income tax return. Inter-company tax balances are recorded monthly and adjusted annually after the consolidated tax return is filed.

10. Information Concerning Parent, Subsidiaries and Affiliates

A. All outstanding shares of the Company are owned by Diversified Health Services, Inc., Jacksonville, Florida, which, in turn, is a wholly owned subsidiary of Blue Cross and Blue Shield of Florida ("BCBSF").

B.& C BCBSFL made capital contributions to the Company of \$2,500,000 and \$7,000,000 in 2012 and 2011, respectively.

D. At December 31, 2012, the Company reported \$17,015 due from affiliates and \$1,852,682 payable to affiliates for marketing and administration services provided and cost allocations made in the ordinary course of business. All intercompany balances are between the Company and BCBSF and are governed by an intercompany services agreement under whose terms balances are to be settled in 30 days after they are billed. In addition, the Company has recorded \$26,959,872 in balances receivable and \$6,952,578 in amounts payable related to an intercompany reinsurance contract with BCBSF.

E. None.

F. BCBSF, the ultimate parent, provides accounting and other administrative services to the Company under an executed service agreement. Certain joint general expenses are allocated utilizing appropriate cost accounting principles.

G. All outstanding shares of the Company are controlled by BCBSF, the ultimate parent.

H. None.

I. None.

J. None.

K. Not applicable.

L. Not applicable.

NOTES TO FINANCIAL STATEMENTS**11. Debt**

- A. The Company has the following outstanding debt obligation: \$1,400,000 6% subordinated surplus debenture issued August 1, 2003, to BCBSF, the Company's ultimate parent. The note is scheduled to mature on June 30, 2018, with a prepayment provision in whole or in part, beginning in 2008. Interest is payable semi annually on June 30 and December 31. (See Note 13 (11))
- B. Not applicable

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

- A. The Parent sponsors a defined benefit pension plan and a postretirement health care benefit plan covering substantially all employees of the Company. See Note 12D.

The plan consists of a formula component and a pension equity formula component. Participation in the plan is dependent upon hire date. All employees hired after January 1, 2000 but prior to January 1, 2007 are participants in the pension equity component. Employees hired prior to January 1, 2000 were able to choose the plan they participated in, going forward. As of January 1, 2007, the plan was closed to new entrants. Employees hired after January 1, 2007 were offered an enhanced defined contribution plan.

- B. Not applicable.
- C. Not applicable.
- D. BCBSF and its subsidiaries participate, through the ultimate parent, in a noncontributory defined benefit pension plan which provides retirement benefits to substantially all of its employees hired prior to January 1, 2007. The plan provides benefits based on years of service and the employee's compensation in the years immediately preceding retirement. The plan is funded through the Blue Cross and Blue Shield National Retirement Trust ("Trust"), a collective investment trust which services the retirement programs of its participating employers. The Company has no pension plan of its own. The Company's share of 2012 and 2011 pension expenses amounted to \$327,503 and \$361,082, respectively.

The defined benefit pension plan was amended to freeze benefit accruals effective December 31, 2010, so that participants in the plan will earn no further benefits regardless of services performed. The participants have been offered an enhanced defined contribution plan, effective January 1, 2011.

The Company also provides, through the ultimate parent, health care and life insurance benefits to eligible retired employees. Generally, the health care coverages pay a percentage of most medical expenses reduced for any deductibles and payments made by government programs and other group coverages up to a defined maximum. Life insurance payments are generally provided by insurance contracts. The Company provides access-only to the health and life insurance products and networks to employees hired on January 1, 2006 and thereafter who meet retirement eligibility requirements. The Company's ultimate parent makes contributions to a Voluntary Employees Beneficiary Association ("VEBA") for the funding of the postretirement healthcare benefits.

In conjunction with the pension plan freeze, the Company amended the postretirement plan effective December 31, 2010, such that employees with at least 65 points (employee's age plus years of service) will receive an annual subsidy toward the retiree medical plan. Those with less than 65 points (or hired on or after January 1, 2006) will have access-only to the retiree medical plan. The Company's ultimate parent sponsors a contribution savings plans under Section 401(k) of the Internal Revenue Code for eligible employees of BCBSF and certain subsidiaries. For the years ended December 31, 2012 and 2011, the Company recorded expense for employer contributions of \$365,608 and \$333,934, respectively.

- E. The Company has no obligations to current or former employees for benefits after their employment but before their retirement other than for compensation related to paid time off. The liability for earned but untaken paid time off has been accrued. BCBSF sponsors a post retirement health care benefit plan that provides prescription drug coverage for substantially all employees of the Company. See Note 12D.
- F. Not applicable. Impact of the Act is captured and reported at the parent company level.

13. Capital Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- (1) The Company has 5,000,000 shares of \$1.00 par value common stock authorized, of which 1,000,000 shares are issued and owned by Diversified Health Services, Inc. The Company has no preferred stock authorized, issued or outstanding.
- (2) Not applicable.
- (3), (4), & (5)

Dividends on common stock are paid as declared by the Board of Directors. Dividends which can be paid by a Florida domiciled company to its shareholders are limited by Florida Statutes Section 628.371(3) to the greater of 10% prior year-end surplus derived from net operating profits and net realized capital gains, or prior year gains from operations plus realized capital gains. Accordingly, dividends totaling \$0 may be made in 2013. No dividends were declared or paid in the years ending December 31, 2012 and 2011.

- (6) Not applicable.
- (7) Not applicable.
- (8) The Company does not hold any of its stock for special purposes.
- (9) Not applicable.
- (10) The portion of unassigned funds (surplus) represented by cumulative unrealized capital gains is \$0.
- (11) The Company issued a \$1,400,000 par value Subordinated Surplus Debenture August 1, 2003, to BCBSF, the parent company, in exchange for a like sum of cash. The surplus note, which has been approved by the Florida OIR, is scheduled to mature on June 30, 2018, with a prepayment provision in part or whole beginning after year five on any coupon date, subject to prior approval by the OIR. Annual interest rate of 6% is to be paid semi-annually on the unpaid principal balance after Florida OIR approval has been received. Interest expense in the amount of \$84,000 has been recorded for each of the years ending December 31, 2012 and 2011.
- (12) Not applicable.
- (13) Not applicable.

14. Contingencies

- A. The Company has no commitments or contingent commitments to affiliates or other entities at December 31, 2012. The Company has made no guarantees on behalf of affiliates.
- B. The Company is subject to guaranty fund assessments by the State of Florida. Guaranty fund assessments are accrued based on written and collected premium as instructed in statutory quarterly assessments. Management's best estimates based on information received from the State of Florida is that there is no accrual required at December 31, 2012. This may change due to any new or unknown insolvencies.
- C. Not applicable.

NOTES TO FINANCIAL STATEMENTS

- D. Not applicable.
- E. Not applicable.
- F. Lawsuits arise against the Company in the normal course of business. Contingent liabilities arising from litigation, income taxes, and other matters are not considered material in relation to the financial position of the Company.

15. Leases

- A. The Company has no material lease obligations at December 31, 2012.
- B. Not applicable.

16. Information about Financial Instruments with Off-Balance Sheet Risk and with Concentrations of Credit Risk

- A. There is no known off-balance sheet risk associated with the Company's Assets or Liabilities.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- A. Not applicable.
- B. Not applicable.
- C. Not applicable.

18. Gain or Loss from Uninsured Accident and Health Plans and the Uninsured Portion of Partially Insured Plans

- A. Not applicable.
- B. Not applicable.
- C. Not applicable.

19. Direct Premiums Written/Produced by Managing General Agents/Third Party Administrators

- A. Not applicable.

20. Fair Value Measurements

- A. The Company's only balance sheet item which is reported at fair market value is its investment in common stocks as of December 31, 2011. The company has no liabilities that are measured and reported at fair value in the statement of financial position after initial recognition.

- (1) Not applicable. The Company has no investments in common stocks as of December 31, 2012.
- (2) Not applicable. The Company has no Level 3 assets or liabilities.
- (3) Not applicable.
- (4) Not applicable. The Company has no Level 2 or Level 3 assets or liabilities.
- (5) Not applicable.
- B. Not applicable.
- C. Not applicable.
- D. Not applicable.

21. Other Items

- A. During 2012, the Company performed an impairment analysis of their long-lived assets, including the capitalized software and goodwill. This analysis resulted in the write off of \$4.9 million of capitalized software costs related to the business administrative systems and \$3.2 million of goodwill, with the approval of the Board of Directors. This impairment loss has no impact on the statutory surplus of the Company as they have been reported as non-admitted assets in previous periods.

During 2011, the Company wrote off \$932,022 of capitalized residual costs related to the business administration system that it began implementing in 2007.

- B. Not applicable.
- C. Not applicable.
- D. At December 31, 2012 and 2011, the Company had admitted assets of \$14,373,293 and \$11,171,230 respectively in premiums receivable due from policyholders and agents. The Company has no collected or premium due from "Controlled" or "Controlling" Persons. The Company routinely assesses the collectibility of these receivables. Based upon Company experience, any uncollectible premiums receivable as of December 31, 2012 are not expected to exceed the non-admitted amounts totaling \$392,878. And therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.
- E. Not applicable.
- F. The Company has no transferable or non-transferable state tax credits.
- G. The Company has no direct subprime mortgage related risk exposure.

22. Events Subsequent

There were no events occurring subsequent to December 31, 2012, through the date of this filing, meriting disclosure.

23. Reinsurance

- A. As of December 31, 2012 the Company has the following unsecured aggregate recoverables for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium that exceed 3% of policyholders' surplus.

Federal ID#	NAIC Code	Name of Reinsurer	Reinsurance Recoverable
59-2015694	98167	BCBSF	\$26,959,872
13-1675535	25364	Swiss Re America	\$ 4,759,311

NOTES TO FINANCIAL STATEMENTS

B. The Company has no reinsurance recoverable in dispute.

Name of Reinsurer	Total Amount in Dispute (Including IBNR)	Status of Dispute		
		Notification	Arbitration	Litigation
None				

C. Reinsurance Assumed and Ceded

1) The following table summarizes ceded and assumed unearned premiums and the related commission equity at December 31, 2012.

	Assumed		Ceded		Assumed Less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
a. Affiliates	0	0	7,543,803	(839,227)	(7,543,803)	839,227
b. All Other	0	0	0	0	0	0
c. Totals	0	0	7,543,803	(839,227)	(7,543,803)	839,227
d. Direct Unearned Premium Reserve	\$15,087,606					

2) Not applicable.

D. Not applicable.

E. Not applicable.

F. Not applicable.

G. Not applicable.

H. Not applicable.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

Not applicable.

25. Changes in Incurred Losses and Loss Adjustment Expenses

The estimated cost of loss and loss adjustment expenses attributable to insured events of prior years as shown in the chart below.

(000's omitted) (Lines of Business)	2012 Calendar Year Losses and LAE Incurred			2012 Loss Year	Shortage (Redundancy)
	Losses Incurred	LAE Incurred	Totals	Losses and LAE Incurred	
Workers' Compensation	9,639	2,564	12,203	11,464	739
Totals	9,639	2,564	12,203	11,464	739

26. Intercompany Pooling Arrangements

Not applicable.

27. Structured Settlements

Not applicable.

28. Health Care Receivables

Not applicable.

29. Participating Policies

Not applicable.

30. Premium Deficiency Reserves

Not applicable.

31. High Deductibles

Not applicable.

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

The Company does not discount its case or IBNR reserves for its workers' compensation business.

33. Asbestos and Environmental Reserves

Not applicable.

34. Subscriber Savings Accounts

Not applicable.

35. Multiple Peril Crop Insurance

Not applicable.

36. Financial Guaranty Insurance

Not applicable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State regulating? FLORIDA
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2008
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2008
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 03/22/2010
- 3.4 By what department or departments? _____

FLORIDA

- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [] No [] N/A [X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Co. Code	3 State of Domicile

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 6.2 If yes, give full information: _____

- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control%
- 7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company. _____

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Price Waterhouse Coopers, LLP, 50 North Laura St. Suite 3000, Jacksonville, FL 32202
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption: _____
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption: _____
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.6 If the answer to 10.5 is no or n/a, please explain. _____

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Russell H. Greig, Jr., CRA FCAS, MAAA, Towers-Watson, One Alliance Center, 3500 Lenox Road, Suite 900, Atlanta GA 30326-4238

GENERAL INTERROGATORIES

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value

12.2 If yes, provide explanation.

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []

- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

PART 1 - COMMON INTERROGATORIES - BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes [X] No []

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No []

18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

PART 1 - COMMON INTERROGATORIES - FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers \$.....0

20.12 To stockholders not officers \$.....0

20.13 Trustees, supreme or grand (Fraternal only) \$.....0

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers \$.....0

20.22 To stockholders not officers \$.....0

20.23 Trustees, supreme or grand (Fraternal only) \$.....0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others

21.22 Borrowed from others

21.23 Leased from others

21.24 Other

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment

22.22 Amount paid as expenses

22.23 Other amounts paid

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. \$.....17,015

PART 1 - COMMON INTERROGATORIES - INVESTMENT

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)? Yes [X] No []

24.02 If no, give full and complete information relating thereto.

PART 1 - COMMON INTERROGATORIES - INVESTMENT

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).

24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.

24.06 If answer to 24.04 is no, report amount of collateral for other programs.

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]

24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

24.103 Total payable for securities lending reported on the liability page.

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03) Yes [X] No []

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements \$.....0

25.22 Subject to reverse repurchase agreements \$.....0

25.23 Subject to dollar repurchase agreements \$.....0

25.24 Subject to reverse dollar repurchase agreements \$.....0

25.25 Pledged as collateral \$.....0

25.26 Placed under option agreements \$.....0

25.27 Letter stock or securities restricted as to sale \$.....0

25.28 On deposit with state or other regulatory body \$.....591,250

25.29 Other \$.....0

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount
----------------------------	------------------	-------------

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year:

28. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
US BANK	CHARLOTTE, NC
BANK OF NEW YORK	NEW YORK, NY

28.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
--------------	------------------	------------------------------

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [] No [X]

28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
--------------------	--------------------	---------------------	-------------

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
------------------------------------------------	-----------	--------------

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [] No [X]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adj. Carrying Value
29.2999. TOTAL		0

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from the above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to Holding	4 Date of Valuation
-------------------------------------------------	-----------------------------------------------------	-----------------------------------------------------------------------------------	------------------------

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	32,490,742	32,250,489	(240,253)
30.2 Preferred stocks.....			0
30.3 Totals.....	32,490,742	32,250,489	(240,253)

30.4 Describe the sources or methods utilized in determining the fair values:
The company relied upon the pricing services of the Bank of New York and U.S Bank

PART 1 - COMMON INTERROGATORIES - INVESTMENT

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No []
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [] No [X]
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D.
 US Bank utilizes Bloomberg and BNY Mellon utilizes Interactive Data.
-
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []
- 32.2 If no, list exceptions:
-

PART 1 - COMMON INTERROGATORIES - OTHER

- 33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$.....251,081
- 33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
National Council on Compensation Insurance	167,949
Blue Cross Blue Shield Association	83,132

- 34.1 Amount of payments for legal expenses, if any? \$.....31,249
- 34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Lau, Lane, Pieper, Conley	8,051
Miller, Kagan, Rodrigurz & Silver P.L.	23,198

- 35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....0
- 35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
 1.2 If yes, indicate premium earned on U.S. business only.
 1.3 What portion of item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?
 1.31 Reason for excluding:

-
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.
 1.5 Indicate total incurred claims on all Medicare Supplement insurance.
 1.6 Individual policies:
 Most current three years:
 1.61 Total premium earned
 1.62 Total incurred claims
 1.63 Number of covered lives
 All years prior to most current three years:
 1.64 Total premium earned
 1.65 Total incurred claims
 1.66 Number of covered lives
 1.7 Group policies:
 Most current three years:
 1.71 Total premium earned
 1.72 Total incurred claims
 1.73 Number of covered lives
 All years prior to most current three years:
 1.74 Total premium earned
 1.75 Total incurred claims
 1.76 Number of covered lives

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator.....	\$.....0	\$.....0
2.2 Premium Denominator.....	\$.....15,759,395	\$.....14,155,748
2.3 Premium Ratio (2.1/2.2).....	.....0.0	.....0.0
2.4 Reserve Numerator.....	\$.....0	\$.....0
2.5 Reserve Denominator.....	\$.....19,978,944	\$.....16,156,146
2.6 Reserve Ratio (2.4/2.5).....	.....0.0	.....0.0

- 3.1 Does the reporting entity issue both participating and non-participating policies? Yes [] No [X]
 3.2 If yes, state the amount of calendar year premiums written on:
 3.21 Participating policies
 3.22 Non-participating policies

4. FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:
 4.1 Does the reporting entity issue assessable policies? Yes [] No []
 4.2 Does the reporting entity issue non-assessable policies? Yes [] No []
 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders?%
 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

5. FOR RECIPROCAL EXCHANGES ONLY:
 5.1 Does the exchange appoint local agents? Yes [] No []
 5.2 If yes, is the commission paid:
 5.21 Out of Attorney's-in-fact compensation Yes [] No [] N/A []
 5.22 As a direct expense of the exchange Yes [] No [] N/A []
 5.3 What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?

-
- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [] No []
 5.5 If yes, give full information:

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
Comp Options Insurance Company, Inc. structured its reinsurance program to limit its exposure to \$250,000 in the working layer and it has what management believes to be adequate levels of reinsurance coverage and little concentration of risk below the TRIA attachment point.

- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:
N/A

- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
N/A

- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [X] No []
 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss:

- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [] No [X]
 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.
 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [] No []

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes [] No [X]
- 8.2 If yes, give full information:

- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
 (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
 (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
 (c) Aggregate stop loss reinsurance coverage;
 (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
 (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
 (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity? Yes [] No [X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
 (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
 (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract? Yes [] No [X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
 (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
 (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
 (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
 (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
 (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [] No [X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
 (a) The entity does not utilize reinsurance; or Yes [] No [X]
 (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [] No [X]
 (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [] No [X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurance a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [] No [] N/A [X]
- 11.1 Has this reporting entity guaranteed policies issued by any other reporting entity and now in force? Yes [] No [X]
- 11.2 If yes, give full information:

- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for:
 12.11 Unpaid losses \$.....0
 12.12 Unpaid underwriting expenses (including loss adjustment expenses) \$.....0
- 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds: \$.....0
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [] No [X] N/A []
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
 12.41 From%
 12.42 To%
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes [] No [X]
- 12.6 If yes, state the amount thereof at December 31 of current year:
 12.61 Letters of credit
 12.62 Collateral and other funds
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$.....0
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [] No [X]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.0

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [] No [X]

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [] No []

14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [] No []

14.5 If the answer to 14.4 is no, please explain:

15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [] No [X]

15.2 If yes, give full information:

16.1 Does the reporting entity write any warranty business? Yes [] No [X]

If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home.....
16.12 Products.....
16.13 Automobile.....
16.14 Other*.....

* Disclose type of coverage:

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that it excludes from Schedule F-Part 5? Yes [] No [X]

Included but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F-Part 5.

Provide the following information for this exemption:

- 17.11 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5
- 17.12 Unfunded portion of Interrogatory 17.11
- 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11
- 17.14 Case reserves portion of Interrogatory 17.11
- 17.15 Incurred but not reported portion of Interrogatory 17.11
- 17.16 Unearned premium portion of Interrogatory 17.11
- 17.17 Contingent commission portion of Interrogatory 17.11

Provide the following information for all other amounts included in Schedule F-Part 3 and excluded from Schedule F-Part 5, not included above:

- 17.18 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5
- 17.19 Unfunded portion of Interrogatory 17.18
- 17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18
- 17.21 Case reserves portion of Interrogatory 17.18
- 17.22 Incurred but not reported portion of Interrogatory 17.18
- 17.23 Unearned premium portion of Interrogatory 17.18
- 17.24 Contingent commission portion of Interrogatory 17.18

18.1 Do you act as a custodian for health savings account? Yes [] No [X]

18.2 If yes, please provide the amount of custodial funds held as of the reporting date.

18.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

18.4 If yes, please provide the balance of the funds administered as of the reporting date.

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

	1 2012	2 2011	3 2010	4 2009	5 2008
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	36,972,506	32,756,840	25,705,316	26,511,538	31,400,161
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....					
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
6. Total (Line 35).....	36,972,506	32,756,840	25,705,316	26,511,538	31,400,161
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	17,738,383	14,997,334	12,770,738	12,998,293	15,092,964
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....					
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
12. Total (Line 35).....	17,738,383	14,997,334	12,770,738	12,998,293	15,092,964
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	(1,175,683)	(9,669,286)	(3,015,126)	3,031,892	7,254,490
14. Net investment gain (loss) (Line 11).....	2,143,981	937,615	1,299,936	1,374,912	2,408,951
15. Total other income (Line 15).....	(8,119,596)			(6,300,000)	
16. Dividends to policyholders (Line 17).....	1,440,667	1,414,126	1,662,199	2,224,846	2,859,258
17. Federal and foreign income taxes incurred (Line 19).....	(252,915)	(5,036,402)	(1,374,449)	(1,415,072)	2,188,760
18. Net income (Line 20).....	(8,339,051)	(5,109,395)	(2,002,940)	(2,702,970)	4,615,423
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	64,467,076	68,398,574	54,810,468	55,822,810	57,078,418
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	2,132,069	3,455,246	2,637,664	2,921,664	2,612,621
20.2 Deferred and not yet due (Line 15.2).....	12,241,224	7,715,984	6,195,939	7,187,959	8,092,862
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	37,371,716	46,537,231	33,706,637	28,282,144	30,921,465
22. Losses (Page 3, Line 1).....	9,474,941	8,109,182	6,647,122	6,020,777	6,234,507
23. Loss adjustment expenses (Page 3, Line 3).....	2,960,200	2,482,149	2,624,973	2,750,505	3,015,707
24. Unearned premiums (Page 3, Line 9).....	7,543,803	5,564,815	4,723,229	5,123,127	5,886,922
25. Capital paid up (Page 3, Lines 30 & 31).....	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
26. Surplus as regards policyholders (Page 3, Line 37).....	27,095,360	21,861,344	21,103,829	27,540,666	26,156,956
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	1,858,590	(4,610,911)	2,682,215	(6,322,547)	1,343,869
Risk-Based Capital Analysis					
28. Total adjusted capital.....	27,095,360	21,861,344	21,103,829	27,540,666	26,156,956
29. Authorized control level risk-based capital.....	715,003	4,508,992	2,340,991	1,462,762	1,442,454
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	73.9	71.6	67.5	76.3	82.7
31. Stocks (Lines 2.1 & 2.2).....		10.0	10.0	9.4	6.1
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
33. Real estate (Lines 4.1, 4.2 & 4.3).....					
34. Cash, cash equivalents and short-term investments (Line 5).....	26.1	18.5	22.5	14.3	11.2
35. Contract loans (Line 6).....					
36. Derivatives (Line 7).....				XXX	XXX
37. Other invested assets (Line 8).....					
38. Receivable for securities (Line 9).....					
39. Securities lending reinvested collateral assets (Line 10).....				XXX	XXX
40. Aggregate write-ins for invested assets (Line 11).....					
41. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1).....					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....					
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....					
46. Affiliated mortgage loans on real estate.....					
47. All other affiliated.....					
48. Total of above lines 42 to 47.....	0	0	0	0	0
49. Total investment in parent included in Lines 42 to 47 above.....					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0).....	0.0				

FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2012	2011	2010	2009	2008
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24).....	427,445	(209,507)	190,392	450,521	(1,053,408)
52. Dividends to stockholders (Line 35).....					
53. Change in surplus as regards policyholders for the year (Line 38).....	5,234,017	757,515	(6,436,837)	1,383,709	1,600,104
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	16,362,359	14,526,375	11,497,603	12,761,722	9,485,302
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....					
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
59. Total (Line 35).....	16,362,359	14,526,375	11,497,603	12,761,722	9,485,302
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	8,273,439	6,846,298	4,921,999	3,631,936	2,233,863
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....					
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....					
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
65. Total (Line 35).....	8,273,439	6,846,298	4,921,999	3,631,936	2,233,863
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2).....	61.2	58.4	42.1	24.8	(1.0)
68. Loss expenses incurred (Line 3).....	16.3	11.2	12.7	6.1	11.2
69. Other underwriting expenses incurred (Line 4).....	30.0	98.7	68.0	47.0	46.7
70. Net underwriting gain (loss) (Line 8).....	(7.5)	(68.3)	(22.9)	22.0	43.2
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0).....	72.5	93.1	70.2	98.3	51.9
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	77.4	69.6	54.8	30.9	10.2
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35, divided by Page 3, Line 37, Col. 1 x 100.0).....	65.5	68.6	60.5	47.2	57.7
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	1,718	(620)	460	(606)	(4,994)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100).....	7.9	(2.9)	1.7	(2.3)	(20.3)
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	(159)	315	(1,191)	(5,057)	(4,422)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0).....	(0.8)	1.1	(4.6)	(20.6)	(22.3)

If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [] No [X]

If no, please explain:

Not applicable, not a party to a merger.

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments						12 Number of Claims Reported-Direct and Assumed		
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments			10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX	26	16	5	4	5	2		14	XXX
2. 2003.....	23,121	12,566	10,555	5,626	4,055	1,727	89	1,056	160		4,105	XXX
3. 2004.....	31,935	17,799	14,136	6,214	5,276	1,838	10	1,432	236		3,962	XXX
4. 2005.....	41,589	24,280	17,309	5,643	5,002	1,183		1,232	415		2,641	XXX
5. 2006.....	37,294	20,731	16,563	8,303	6,975	1,521	50	1,286	642		3,443	XXX
6. 2007.....	40,300	21,747	18,553	10,198	8,683	2,189	107	1,498	749		4,346	XXX
7. 2008.....	35,152	18,355	16,797	10,822	8,761	2,134	273	2,760	1,346		5,336	XXX
8. 2009.....	28,205	14,444	13,761	11,764	8,172	1,696	497	1,758	880		5,669	XXX
9. 2010.....	26,564	13,394	13,170	11,360	5,708	1,686	846	1,845	923		7,414	XXX
10. 2011.....	30,933	16,777	14,156	14,520	7,183	1,757	1,047	2,466	1,233		9,280	XXX
11. 2012.....	33,853	18,094	15,759	6,509	3,047	394	444	1,983	991		4,404	XXX
12. Totals.....	XXX	XXX	XXX	90,985	62,878	16,130	3,367	17,321	7,577	0	50,614	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	52	34	65	58	9	9	16	23	4	3		19	XXX
2. 2003.....	135	119	69	64	13	30	19	24	3	1		1	XXX
3. 2004.....	26	15	48	47	9	2	13	18	6	3		17	XXX
4. 2005.....			67	60			18	22	6	3		6	XXX
5. 2006.....	57	25	295	233		4	79	83	21	10		97	XXX
6. 2007.....	336	167	491	430	49	25	131	158	24	12		239	XXX
7. 2008.....	296	167	872	657	49	29	233	231	60	30		396	XXX
8. 2009.....	246	169	971	650	35	16	260	220	69	34		492	XXX
9. 2010.....	767	410	2,014	1,375	186	67	539	469	221	110		1,296	XXX
10. 2011.....	1,812	947	4,187	2,800	252	139	1,120	948	549	274		2,812	XXX
11. 2012.....	3,921	1,930	7,348	4,243	405	297	1,965	1,358	2,497	1,248		7,060	XXX
12. Totals.....	7,648	3,983	16,427	10,617	1,007	618	4,393	3,554	3,460	1,728	0	12,435	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX			XXX	25	(6)
2. 2003.....	8,648	4,542	4,106	37.4	36.1	38.9				21	(20)
3. 2004.....	9,586	5,607	3,979	30.0	31.5	28.1				12	5
4. 2005.....	8,149	5,502	2,647	19.6	22.7	15.3				7	(1)
5. 2006.....	11,562	8,022	3,540	31.0	38.7	21.4				94	3
6. 2007.....	14,916	10,331	4,585	37.0	47.5	24.7				230	9
7. 2008.....	17,226	11,494	5,732	49.0	62.6	34.1				344	52
8. 2009.....	16,799	10,638	6,161	59.6	73.6	44.8				398	94
9. 2010.....	18,618	9,908	8,710	70.1	74.0	66.1				996	300
10. 2011.....	26,663	14,571	12,092	86.2	86.9	85.4				2,252	560
11. 2012.....	25,022	13,558	11,464	73.9	74.9	72.7				5,096	1,964
12. Totals.....	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	9,475	2,960

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements, which will reconcile Part 1 with Parts 2 and 4.

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	One Year	Two Year
1. Prior.....	1,833	2,237	2,501	2,369	2,348	2,745	2,676	2,586	2,585	2,589	4	3
2. 2003.....	4,565	3,477	3,014	3,447	3,450	3,240	3,247	3,212	3,208	3,208	0	(4)
3. 2004.....	XXX	6,057	4,620	3,092	2,980	2,867	2,972	2,800	2,787	2,780	(7)	(20)
4. 2005.....	XXX	XXX	6,232	3,400	2,966	2,173	2,039	1,855	1,837	1,827	(10)	(28)
5. 2006.....	XXX	XXX	XXX	6,020	4,501	2,881	2,711	2,907	2,855	2,885	30	(22)
6. 2007.....	XXX	XXX	XXX	XXX	6,653	3,998	4,196	3,891	3,825	3,824	(1)	(67)
7. 2008.....	XXX	XXX	XXX	XXX	XXX	4,710	4,167	4,172	4,140	4,288	148	116
8. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	4,141	5,186	5,227	5,248	21	62
9. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,876	7,401	7,677	276	(199)
10. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	9,327	10,584	1,257	XXX
11. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	9,223	XXX	XXX
12. Totals.....											1,718	(159)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012		
1. Prior.....	.000	.938	1,673	1,701	1,819	2,371	2,561	2,559	2,560	2,571	XXX	XXX
2. 2003.....	.590	1,921	2,583	2,865	3,016	2,987	3,103	3,202	3,209	3,209	XXX	XXX
3. 2004.....	XXX	.816	2,249	2,383	2,644	2,681	2,707	2,758	2,765	2,766	XXX	XXX
4. 2005.....	XXX	XXX	.474	1,252	1,724	1,776	1,803	1,825	1,824	1,824	XXX	XXX
5. 2006.....	XXX	XXX	XXX	.474	1,629	2,071	2,447	2,652	2,785	2,799	XXX	XXX
6. 2007.....	XXX	XXX	XXX	XXX	.807	2,210	3,013	3,434	3,529	3,597	XXX	XXX
7. 2008.....	XXX	XXX	XXX	XXX	XXX	.864	2,327	3,279	3,618	3,922	XXX	XXX
8. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	.969	3,412	4,376	4,791	XXX	XXX
9. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,830	5,524	6,492	XXX	XXX
10. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,042	8,047	XXX	XXX
11. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,412	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)											
	1	2	3	4	5	6	7	8	9	10		
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012		
1. Prior.....	.862	.469	.286	.170	.51	.215	.55	.2	.2	.2		
2. 2003.....	3,628	1,050	.275	.278	.339	.151	.115	.10	(.1)			
3. 2004.....	XXX	4,685	1,991	.416	.297	.162	.225	.27	.9			(.4)
4. 2005.....	XXX	XXX	5,562	1,802	1,154	.381	.236	.30	.13			.3
5. 2006.....	XXX	XXX	XXX	4,842	2,527	.542	.196	.83	.59			.58
6. 2007.....	XXX	XXX	XXX	XXX	5,010	1,274	.831	.234	.125			.34
7. 2008.....	XXX	XXX	XXX	XXX	XXX	3,187	1,178	.611	.222			.217
8. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	2,048	1,185	.553			.361
9. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,157	1,036			.709
10. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,507			1,559
11. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			3,712

COMP OPTIONS INSURANCE COMPANY, INC.
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL	N								
2. Alaska.....AK	N								
3. Arizona.....AZ	N								
4. Arkansas.....AR	N								
5. California.....CA	N								
6. Colorado.....CO	N								
7. Connecticut.....CT	N								
8. Delaware.....DE	N								
9. District of Columbia.....DC	N								
10. Florida.....FL	L	36,972,506	33,853,078	2,881,335	16,362,359	17,595,055	24,074,943		
11. Georgia.....GA	N								
12. Hawaii.....HI	N								
13. Idaho.....ID	N								
14. Illinois.....IL	N								
15. Indiana.....IN	N								
16. Iowa.....IA	N								
17. Kansas.....KS	N								
18. Kentucky.....KY	N								
19. Louisiana.....LA	N								
20. Maine.....ME	N								
21. Maryland.....MD	N								
22. Massachusetts.....MA	N								
23. Michigan.....MI	N								
24. Minnesota.....MN	N								
25. Mississippi.....MS	N								
26. Missouri.....MO	N								
27. Montana.....MT	N								
28. Nebraska.....NE	N								
29. Nevada.....NV	N								
30. New Hampshire.....NH	N								
31. New Jersey.....NJ	N								
32. New Mexico.....NM	N								
33. New York.....NY	N								
34. North Carolina.....NC	N								
35. North Dakota.....ND	N								
36. Ohio.....OH	N								
37. Oklahoma.....OK	N								
38. Oregon.....OR	N								
39. Pennsylvania.....PA	N								
40. Rhode Island.....RI	N								
41. South Carolina.....SC	N								
42. South Dakota.....SD	N								
43. Tennessee.....TN	N								
44. Texas.....TX	N								
45. Utah.....UT	N								
46. Vermont.....VT	N								
47. Virginia.....VA	N								
48. Washington.....WA	N								
49. West Virginia.....WV	N								
50. Wisconsin.....WI	N								
51. Wyoming.....WY	N								
52. American Samoa.....AS	N								
53. Guam.....GU	N								
54. Puerto Rico.....PR	N								
55. US Virgin Islands.....VI	N								
56. Northern Mariana Islands.....MP	N								
57. Canada.....CAN	N								
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0	0	0
59. Totals.....(a).....1		36,972,506	33,853,078	2,881,335	16,362,359	17,595,055	24,074,943	0	0

DETAILS OF WRITE-INS

58001.....	XXX								
58002.....	XXX								
58003.....	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

(a) Insert the number of "L" responses except for Canada and Other Alien.

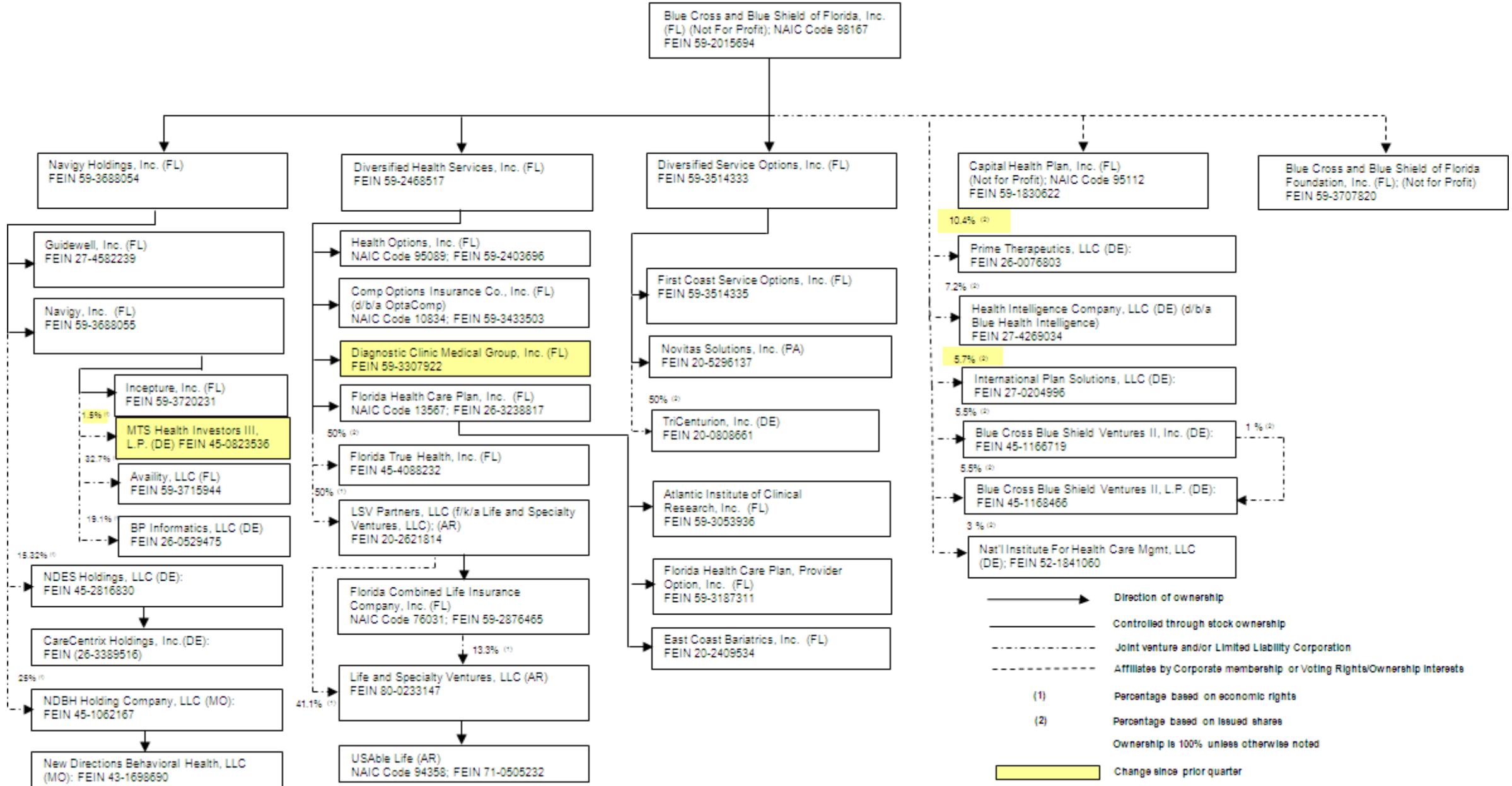
(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

Explanation of Basis of Allocation of Premiums by States, etc.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART



—————> Direction of ownership
 —————> Controlled through stock ownership
 - - - - -> Joint venture and/or Limited Liability Corporation
 - - - - -> Affiliates by Corporate membership or Voting Rights/Ownership interests
 (1) Percentage based on economic rights
 (2) Percentage based on issued shares
 Ownership is 100% unless otherwise noted
 Change since prior quarter

2012 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK

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