



**HEALTH QUARTERLY STATEMENT**  
 AS OF         JUNE 30        , 2002  
 OF THE CONDITION AND AFFAIRS OF THE  
**SAFEGUARD HEALTH PLANS, INC., AN OHIO CORPORATION**

NAIC Group Code         1119        ,         1119         NAIC Company Code         47813         Employer's ID Number         31-1061579          
(Current Period) (Prior Period)

Organized under the Laws of         Ohio        , State of Domicile or Port of Entry         Ohio        

Country of Domicile         United States        

Licensed as business type: Life, Accident & Health[  ] Property/Casualty[  ] Hospital, Medical & Dental Service or Indemnity[  ]  
 Dental Service Corporation[X] Vision Service Corporation[  ] Health Maintenance Organization[  ]  
 Other[  ] Is HMO Federally Qualified? Yes[  ] No[X]

Date Incorporated or Organized         11/26/1982         Date Commenced Business         06/04/1985        

Statutory Home Office         C/O CT CORPORATION SYSTEM -- 815 Superior Ave, N.E        ,         Cleveland, OH 44114          
(Street and Number) (City, or Town, State and Zip Code)

Main Administrative Office         95 Enterprise          
(Street and Number)

        Aliso Viejo, CA 92656                 (949)425-4300 x          
(City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address         P.O. Box 30900        ,         Laguna Hills, CA 92654-0900          
(Street and Number or P.O. Box) (City, or Town, State and Zip Code)

Primary Location of Books and Records         95 Enterprise          
(Street and Number)

        Aliso Viejo, CA 92656                 (949)425-4300 x          
(City, or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address         www.safeguard.net        

Statutory Statement Contact         Dennis Lynn Gates                 (949)425-4531 x          
(Name) (Area Code)(Telephone Number)(Extension)

        DennisG@Safeguard.net                 (949)425-4533 x          
(E-Mail Address) (Fax Number)

Policyowner Relations Contact         95 Enterprise          
(Street and Number)

        Aliso Viejo, CA 92656                 (949)425-4300-          
(City, or Town, State and Zip Code) (Area Code) (Telephone Number)(Extension)

**OFFICERS**

President Steven Jeffrey Baileys, DDS  
 Secretary Ronald Irwin Brendzel, JD  
 Treasurer Ronald Irwin Brendzel, JD

**VICE PRESIDENTS**

Ronald Irwin Brendzel, JD

**DIRECTORS OR TRUSTEES**

Steven Jeffrey Baileys, DDS Ronald Irwin Brendzel, JD

State of         California          
 County of         Orange         ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the 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 manuals 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.

\_\_\_\_\_  
(Signature)  
 Steven Jeffrey Baileys  
(Printed Name)  
 President

\_\_\_\_\_  
(Signature)  
 Ronald Irwin Brendzel  
(Printed Name)  
 Secretary

\_\_\_\_\_  
(Signature)  
 Ronald Irwin Brendzel  
(Printed Name)  
 Treasurer

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2002

- a. Is this an original filing?  
 b. If no, 1. State the amendment number  
 2. Date filed  
 3. Number of pages attached

Yes[X] No[ ]  
 \_\_\_\_\_  
 0  
 \_\_\_\_\_  
 0

\_\_\_\_\_  
(Notary Public Signature)

## ASSETS

	Current Period			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets	4 Net Admitted Assets
1. Bonds .....	75,033	0	75,033	75,127
2. Stocks: .....				
2.1 Preferred stocks .....	0	0	0	0
2.2 Common stocks .....	0	0	0	0
3. Mortgage loans on real estate: .....				
3.1 First liens .....	0	0	0	0
3.2 Other than first liens .....	0	0	0	0
4. Real estate (Schedule A): .....				
4.1 Properties occupied by the company (less \$.....0 encumbrances) .....	0	0	(a) 0	0
4.2 Properties held for the production of income (less \$.....0 encumbrances) .....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances) .....	0	0	0	0
5. Cash (\$.....0) and short-term investments (\$.....6) .....	6	0	6	203,403
6. Other long-term invested assets .....	0	0	0	0
7. Receivable for securities .....	0	0	0	0
8. Aggregate write-ins for invested assets .....	0	0	0	0
9. Subtotal cash and invested assets (Lines 1 to 8) .....	75,039	0	75,039	278,530
10. Accident and health premiums due and unpaid .....	0	0	0	83
11. Health care receivables .....	0	0	0	0
12. Amounts recoverable from reinsurers .....	0	0	0	0
13. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0	0
14. Investment income due and accrued .....	1,768	0	1,768	1,796
15. Amounts due from parent, subsidiaries and affiliates .....	350,904	350,904	0	0
16. Amounts receivable relating to uninsured accident and health plans .....	0	0	0	0
17. Furniture and equipment .....	0	0	0	0
18. Amounts due from agents .....	0	0	0	0
19. Federal and foreign income tax recoverable and interest thereon (including \$.....0 net deferred tax asset) .....	0	0	0	0
20. Electronic data processing equipment and software .....	0	0	0	0
21. Other nonadmitted assets .....	0	0	0	0
22. Aggregate write-ins for other than invested assets .....	0	0	0	0
23. Total assets (Lines 9 plus 10 through 22) .....	427,711	350,904	76,807	280,409
<b>DETAILS OF WRITE-INS</b>				
0801 .....	0	0	0	0
0802 .....	0	0	0	0
0803 .....	0	0	0	0
0898. Summary of remaining write-ins for Line 8 from overflow page .....	0	0	0	0
0899. TOTALS (Lines 0801 through 0803 plus 0898) (Line 8 above) .....	0	0	0	0
2201 .....	0	0	0	0
2202 .....	0	0	0	0
2203 .....	0	0	0	0
2298. Summary of remaining write-ins for Line 22 from overflow page .....	0	0	0	0
2299. TOTALS (Lines 2201 through 2203 plus 2298) (Line 22 above) .....	0	0	0	0

(a) \$.....0 health care delivery assets included in Line 4.1, Column 3.

## LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded) .....	0	0	0	0
2. Accrued medical incentive pool and bonus payments .....	0	0	0	0
3. Unpaid claims adjustment expenses .....	0	0	0	0
4. Aggregate policy reserves .....	0	0	0	0
5. Aggregate claim reserves .....	0	0	0	0
6. Premiums received in advance .....	0	0	0	0
7. General expenses due or accrued .....	0	0	0	84
8. Federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses) (including \$.....0 net deferred tax liability) .....	0	0	0	0
9. Amounts withheld or retained for account of others .....	0	0	0	0
10. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....	0	0	0	0
11. Amounts due to parent, subsidiaries and affiliates .....	0	0	0	0
12. Payable for securities .....	0	0	0	0
13. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers) .....	0	0	0	0
14. Reinsurance in unauthorized companies .....	0	0	0	0
15. Net adjustments in assets and liabilities due to foreign exchange rates .....	0	0	0	0
16. Liability for amounts held under uninsured accident and health plans .....	0	0	0	0
17. Aggregate write-ins for other liabilities (including \$.....0 current) .....	0	0	0	0
18. Total liabilities (Lines 1 to 17) .....	0	0	0	84
19. Common capital stock .....	X X X	X X X	5,000	5,000
20. Preferred capital stock .....	X X X	X X X	0	0
21. Gross paid in and contributed surplus .....	X X X	X X X	295,000	295,000
22. Surplus notes .....	X X X	X X X	0	0
23. Aggregate write-ins for other surplus funds .....	X X X	X X X	0	0
24. Unassigned funds (surplus) .....	X X X	X X X	(223,193)	(19,675)
25. Less treasury stock, at cost:	X X X	X X X		
25.1 .....0 shares common (value included in Line 19 \$.....0) .....	X X X	X X X	0	0
25.2 .....0 shares preferred (value included in Line 20 \$.....0) .....	X X X	X X X	0	0
26. Total capital and surplus (Lines 19 to 24, Less 25) .....	X X X	X X X	76,807	280,325
27. Total liabilities, capital and surplus (Lines 18 and 26) .....	X X X	X X X	76,807	280,409
<b>DETAILS OF WRITE-INS</b>				
1701 .....	0	0	0	0
1702 .....	0	0	0	0
1703 .....	0	0	0	0
1798. Summary of remaining write-ins for Line 17 from overflow page .....	0	0	0	0
1799. TOTALS (Lines 1701 through 1703 plus 1798) (Line 17 above) .....	0	0	0	0
2301. ....	X X X	X X X	0	0
2302 .....	X X X	X X X	0	0
2303 .....	X X X	X X X	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page .....	X X X	X X X	0	0
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	X X X	X X X	0	0

## STATEMENT OF REVENUE AND EXPENSES

	Current Year to Date		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months .....	X X X	0	313
2. Net premium income .....	X X X	0	2,454
3. Change in unearned premium reserves and reserve for rate credits .....	X X X	0	0
4. Fee-for-service (net of \$.....0 medical expenses) .....	X X X	0	0
5. Risk revenue .....	X X X	0	0
6. Aggregate write-ins for other health care related revenues .....	X X X	0	0
7. TOTAL REVENUES (Lines 2 to 6) .....	X X X	0	2,454
<b>Medical and Hospital:</b>			
8. Hospital/medical benefits .....	0	0	0
9. Other professional services .....	0	0	576
10. Outside referrals .....	0	0	0
11. Emergency room and out-of-area .....	0	0	0
12. Prescription drugs .....	0	0	0
13. Aggregate write-ins for other medical and hospital .....	0	0	0
14. Incentive pool and withhold adjustments .....	0	0	0
15. Subtotal (Lines 8 to 14) .....	0	0	576
<b>LESS:</b>			
16. Net reinsurance recoveries .....	0	0	0
17. Total medical and hospital (Lines 15 minus 16) .....	0	0	576
18. Claims adjustment expenses .....	0	0	0
19. General administrative expenses .....	0	1,019	2,529
20. Increase in reserves for accident and health contracts .....	0	0	0
21. Total underwriting deductions (Lines 17 through 20) .....	0	1,019	3,105
22. Net underwriting gain or (loss) (Lines 7 minus 21) .....	X X X	(1,019)	(651)
23. Net investment income earned .....	0	3,710	14,280
24. Net realized capital gains or (losses) .....	0	0	0
25. Net investment gains or (losses) (Lines 23 plus 24) .....	0	3,710	14,280
26. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0), (amount charged off \$.....0)] .....	0	0	0
27. Aggregate write-ins for other income or expenses .....	0	0	0
28. Net income or (loss) before federal income taxes (Lines 22 plus 25 plus 26 plus 27) .....	0	2,691	13,629
29. Federal and foreign income taxes incurred .....	X X X	0	966
30. Net income (loss) (Lines 28 minus 29) .....	X X X	2,691	12,663
<b>DETAILS OF WRITE-INS</b>			
0601 .....	X X X	0	0
0602 .....	X X X	0	0
0603 .....	X X X	0	0
0698. Summary of remaining write-ins for Line 6 from overflow page .....	X X X	0	0
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X	0	0
1301 .....	0	0	0
1302 .....	0	0	0
1303 .....	0	0	0
1398. Summary of remaining write-ins for Line 13 from overflow page .....	0	0	0
1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above) .....	0	0	0
2701 .....	0	0	0
2702 .....	0	0	0
2703 .....	0	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page .....	0	0	0
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above) .....	0	0	0

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

	1 Current Year to Date	2 Prior Year
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>		
31. Capital and surplus prior reporting year .....	280,325	264,446
<b>GAINS AND LOSSES TO CAPITAL &amp; SURPLUS</b>		
32. Net income or (loss) from Line 30 .....	2,691	12,663
33. Change in valuation basis of aggregate policy and claim reserves .....	0	0
34. Net unrealized capital gains and losses .....	0	0
35. Change in net unrealized foreign exchange capital gain or (loss) .....	0	0
36. Change in net deferred income tax .....	0	(3,668)
37. Change in nonadmitted assets .....	(206,209)	3,216
38. Change in unauthorized reinsurance .....	0	0
39. Change in treasury stock .....	0	0
40. Change in surplus notes .....	0	0
41. Cumulative effect of changes in accounting principles .....	0	3,668
42. Capital Changes:		
42.1 Paid in .....	0	0
42.2 Transferred from surplus (Stock Dividend) .....	0	0
42.3 Transferred to surplus .....	0	0
43. Surplus adjustments:		
43.1 Paid in .....	0	0
43.2 Transferred to capital (Stock Dividend) .....	0	0
43.3 Transferred from capital .....	0	0
44. Dividends to stockholders .....	0	0
45. Aggregate write-ins for gains or (losses) in surplus .....	0	0
46. Net change in capital and surplus (Lines 32 to 45) .....	(203,518)	15,879
47. Capital and surplus end of reporting period (Line 31 plus 46) .....	76,807	280,325
<b>DETAILS OF WRITE-INS</b>		
4501 .....	0	0
4502 .....	0	0
4503 .....	0	0
4598. Summary of remaining write-ins for Line 45 from overflow page .....	0	0
4599. TOTALS (Lines 4501 through 4503 plus 4598) (Line 45 above) .....	0	0

**CASH FLOW**

		1 Current Year To Date	2 Prior Year
<b>Cash from Operations</b>			
1.	Premiums and revenues collected net of reinsurance .....	83	2,516
2.	Claims and claims adjustment expenses .....	0	576
3.	General administrative expenses paid .....	1,103	4,097
4.	Other underwriting income (expenses) .....	0	0
5.	Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4) .....	(1,020)	(2,157)
6.	Net investment income .....	3,832	15,160
7.	Other income (expenses) .....	0	0
8.	Federal and foreign income taxes (paid) recovered .....	0	0
9.	Net cash from operations (Lines 5 to 8) .....	2,812	13,003
<b>Cash from Investments</b>			
10.	Proceeds from investments sold, matured or repaid:		
10.1	Bonds .....	0	75,000
10.2	Stocks .....	0	0
10.3	Mortgage loans .....	0	0
10.4	Real estate .....	0	0
10.5	Other invested assets .....	0	0
10.6	Net gains or (losses) on cash and short-term investments .....	0	0
10.7	Miscellaneous proceeds .....	0	0
10.8	TOTAL investment proceeds (Lines 10.1 to 10.7) .....	0	75,000
11.	Cost of investments acquired (long-term only):		
11.1	Bonds .....	0	0
11.2	Stocks .....	0	0
11.3	Mortgage loans .....	0	0
11.4	Real estate .....	0	0
11.5	Other invested assets .....	0	0
11.6	Miscellaneous applications .....	0	0
11.7	TOTAL investments acquired (Lines 11.1 to 11.6) .....	0	0
12.	Net cash from investments (Line 10.8 minus Line 11.7) .....	0	75,000
<b>Cash from Financing and Miscellaneous Sources</b>			
13.	Cash provided:		
13.1	Surplus notes, capital and surplus paid in .....	0	0
13.2	Net transfers from affiliates .....	0	2,250
13.3	Borrowed funds received .....	0	0
13.4	Other cash provided .....	0	0
13.5	TOTAL (Lines 13.1 to 13.4) .....	0	2,250
14.	Cash applied:		
14.1	Dividends to stockholders paid .....	0	0
14.2	Net transfers to affiliates .....	206,209	0
14.3	Borrowed funds repaid .....	0	0
14.4	Other applications .....	0	0
14.5	TOTAL (Lines 14.1 to 14.4) .....	206,209	0
15.	Net cash from financing and miscellaneous sources (Line 13.5 minus Line 14.5) .....	(206,209)	2,250
<b>RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS</b>			
16.	Net change in cash and short-term investments (Line 9 plus Line 12 plus Line 15) .....	(203,397)	90,253
17.	Cash and short-term investments:		
17.1	Beginning of period .....	203,403	113,150
17.2	End of period (Line 16 plus Line 17.1) .....	6	203,403

## EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year .....	0	0	0	0	0	0	0	0	0	0
2. First Quarter .....	0	0	0	0	0	0	0	0	0	0
3. Second Quarter .....	0	0	0	0	0	0	0	0	0	0
4. Third Quarter .....	0	0	0	0	0	0	0	0	0	0
5. Current Year .....	0	0	0	0	0	0	0	0	0	0
6. Current Year Member Months .....	0	0	0	0	0	0	0	0	0	0
Total Member Ambulatory Encounters for Period:										
7. Physician .....	0	0	0	0	0	0	0	0	0	0
8. Non-Physician .....	0	0	0	0	0	0	0	0	0	0
9. Total .....	0	0	0	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred .....	0	0	0	0	0	0	0	0	0	0
11. Number of Inpatient Admissions .....	0	0	0	0	0	0	0	0	0	0
12. Premiums Collected .....	83	0	0	0	0	83	0	0	0	0
13. Premiums Earned .....	0	0	0	0	0	0	0	0	0	0
14. Amount Paid for Provision of Health Care Services .....	0	0	0	0	0	0	0	0	0	0
15. Amount Incurred for Provision of Health Care Services .....	0	0	0	0	0	0	0	0	0	0

**8 Claims Payable..... NONE**

**9 Underwriting Investment Exhibit..... NONE**

**10 Notes To Financial Statement..... NONE**

## GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

### PART 1 - COMMON INTERROGATORIES

#### GENERAL

- 1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements? Yes[ ] No[X]
- 1.2 If yes, explain:  
N/A
- 2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes[ ] No[X]
- 2.2 If yes, has the report been filed with the domiciliary state? Yes[ ] No[X] N/A[ ]
- 3.1 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]
- 3.2 If yes, date of change:  
If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 4. Have there been any substantial changes in the organizational chart since the prior quarter end?  
If yes attach an organizational chart. 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 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 Company Code	3 State of Domicile

- 6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?  
If yes, attach an explanation. Yes[ ] No[X] N/A[ ]
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/1994
- 7.2 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. 12/31/1994
- 7.3 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). 12/31/1994
- 7.4 By what department or departments?  
Ohio Department of Insurance
- 8.1 Has this 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? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes[ ] No[X]
- 8.2 If yes, give full information  
N/A

## GENERAL INTERROGATORIES (continued)

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

### INVESTMENT

- 9.1 Has there been any changes in the reporting entity's own preferred or common stock? Yes[ ] No[X]  
 9.2 If yes, explain:  
     N/A
- 10.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[ ] No[X]  
 10.2 If yes, give full and complete information relating thereto:  
     N/A
11. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0
12. Amount of real estate and mortgages held in short-term investments: \$ 0
- 13.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes[ ] No[X]  
 13.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
13.21 Bonds .....	0	0
13.22 Preferred Stock .....	0	0
13.23 Common Stock .....	0	0
13.24 Short-Term Investments .....	0	0
13.25 Mortgages, Loans or Real Estate .....	0	0
13.26 All Other .....	0	0
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26) .....	0	0
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above .....	0	0
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above .....	0	0

- 14.1 Does the reporting entity have any hedging transactions reported in Schedule DB? Yes[ ] No[X]  
 14.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[ ] No[X] N/A[ ]  
     If no, attach a description with this statement.
15. Excluding items in Schedule E, 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 Part 1 - General, Section IV, H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes[ ] No[X]
- 15.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address

- 15.2 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)

- 15.3 Have there been any changes, including name changes, in the custodian(s) identified in 15.1 during the current year? Yes[ ] No[X]  
 15.4 If yes, give full and complete information relating thereto:

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

- 15.5 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	2 Name(s)	3 Address

**SCHEDULE A - VERIFICATION**

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period .....	0	0	0	0
2. Increase (decrease) by adjustment .....	0	0	0	0
3. Cost of acquired .....	0	0	0	0
4. Cost of additions to and permanent improvements .....	0	0	0	0
5. Total profit (loss) on sales .....	0	0	0	0
6. Increase (decrease) by foreign exchange adjustment .....	0	0	0	0
7. Amount received on sales .....	0	0	0	0
8. Book/adjusted carrying value at end of current period .....	0	0	0	0
9. Total valuation allowance .....	0	0	0	0
10. Subtotal (Lines 8 plus 9) .....	0	0	0	0
11. Total nonadmitted amounts .....	0	0	0	0
12. Statement value, current period (Page 2, real estate lines, current period) .....	0	0	0	0

**NONE****SCHEDULE B - VERIFICATION**

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/recorded investment excluding accrued interest on mortgages owned, beginning of period .....	0	0	0	0
2. Amount loaned during period: .....				
2.1 Actual cost at time of acquisitions .....	0	0	0	0
2.2 Additional investment made after acquisitions .....	0	0	0	0
3. Accrual of discount and mortgage interest points and commitment fees .....	0	0	0	0
4. Increase (decrease) by adjustment .....	0	0	0	0
5. Total profit (loss) on sale .....	0	0	0	0
6. Amounts paid on account or in full during the period .....	0	0	0	0
7. Amortization of premium .....	0	0	0	0
8. Increase (decrease) by foreign exchange adjustment .....	0	0	0	0
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....	0	0	0	0
10. Total valuation allowance .....	0	0	0	0
11. Subtotal (Lines 9 plus 10) .....	0	0	0	0
12. Total nonadmitted amounts .....	0	0	0	0
13. Statement value of mortgages owned at end of current period .....	0	0	0	0

**NONE****SCHEDULE BA - VERIFICATION****Other Invested Assets Included in Schedule BA**

Description	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value of long-term invested assets owned, beginning of period .....	0	0	0	0
2. Cost of acquisitions during period: .....				
2.1 Actual cost at time of acquisitions .....	0	0	0	0
2.2 Additional investment made after acquisitions .....	0	0	0	0
3. Accrual of discount .....	0	0	0	0
4. Increase (decrease) by adjustment .....	0	0	0	0
5. Total profit (loss) on sale .....	0	0	0	0
6. Amounts paid on account or in full during the period .....	0	0	0	0
7. Amortization of premium .....	0	0	0	0
8. Increase (decrease) by foreign exchange adjustment .....	0	0	0	0
9. Book/adjusted carrying value of long-term invested assets at end of current period .....	0	0	0	0
10. Total valuation allowance .....	0	0	0	0
11. Subtotal (Lines 9 plus 10) .....	0	0	0	0
12. Total nonadmitted amounts .....	0	0	0	0
13. Statement value of long-term invested assets at end of current period .....	0	0	0	0

**NONE**

**SCHEDULE D - PART 1B**

**Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by Rating Class**

	1 Statement Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Statement Value End of First Quarter	6 Statement Value End of Second Quarter	7 Statement Value End of Third Quarter	8 Statement Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 .....	75,081	0	0	(48)	75,081	75,033	0	75,127
2. Class 2 .....	0	0	0	0	0	0	0	0
3. Class 3 .....	0	0	0	0	0	0	0	0
4. Class 4 .....	0	0	0	0	0	0	0	0
5. Class 5 .....	0	0	0	0	0	0	0	0
6. Class 6 .....	0	0	0	0	0	0	0	0
7. TOTAL Bonds .....	75,081	0	0	(48)	75,081	75,033	0	75,127
<b>PREFERRED STOCK</b>								
8. Class 1 .....	0	0	0	0	0	0	0	0
9. Class 2 .....	0	0	0	0	0	0	0	0
10. Class 3 .....	0	0	0	0	0	0	0	0
11. Class 4 .....	0	0	0	0	0	0	0	0
12. Class 5 .....	0	0	0	0	0	0	0	0
13. Class 6 .....	0	0	0	0	0	0	0	0
14. TOTAL Preferred Stock .....	0	0	0	0	0	0	0	0
15. TOTAL Bonds & Preferred Stock .....	75,081	0	0	(48)	75,081	75,033	0	75,127

**SCHEDULE DA - PART 1****Short - Term Investments Owned End of Current Quarter**

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Amount of Interest Received Current Quarter	5 Paid for Accrued Interest
8099999. TOTALS .....	6	X X X	6	520	0

**SCHEDULE DA - PART 2 - Verification****Short-Term Investments Owned**

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter Current Year	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period .....	203,403	206,717	0	113,240
2. Cost of short-term investments acquired .....	3,314	520	0	197,256
3. Increase (decrease) by adjustment .....	0	0	0	(93)
4. Increase (decrease) by foreign exchange adjustment .....	0	0	0	0
5. Total profit (loss) on disposal of short-term investments .....	0	0	0	0
6. Consideration received on disposal of short-term investments .....	0	207,231	0	107,000
7. Book/adjusted carrying value, current period .....	206,717	6	0	203,403
8. Total valuation allowance .....	0	0	0	0
9. Subtotals (Lines 7 plus 8) .....	206,717	6	0	203,403
10. Total nonadmitted amounts .....	0	0	0	0
11. Statement value (Lines 9 minus 10) .....	206,717	6	0	203,403
12. Income collected during period .....	922	520	0	6,049
13. Income earned during period .....	922	511	0	5,098

**16 Schedule DB Part F Section 1..... NONE**

**17 Schedule DB Part F Section 2..... NONE**

**18 Schedule S Ceded Reinsurance..... NONE**

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS****Allocated by States and Territories**

	State, Etc.	1 Guaranty Fund (Yes or No)	2 Is Insurer Licensed (Yes or No)	Direct Business Only Year-to-Date				
				3 Premiums	4 Medicare Title XVIII	5 Medicaid Title XIX	6 Federal Employees Health Benefits Program Premiums	
1.	Alabama	AL	No	No	0	0	0	0
2.	Alaska	AK	No	No	0	0	0	0
3.	Arizona	AZ	No	No	0	0	0	0
4.	Arkansas	AR	No	No	0	0	0	0
5.	California	CA	No	No	0	0	0	0
6.	Colorado	CO	No	No	0	0	0	0
7.	Connecticut	CT	No	No	0	0	0	0
8.	Delaware	DE	No	No	0	0	0	0
9.	District of Columbia	DC	No	No	0	0	0	0
10.	Florida	FL	No	No	0	0	0	0
11.	Georgia	GA	No	No	0	0	0	0
12.	Hawaii	HI	No	No	0	0	0	0
13.	Idaho	ID	No	No	0	0	0	0
14.	Illinois	IL	No	No	0	0	0	0
15.	Indiana	IN	No	No	0	0	0	0
16.	Iowa	IA	No	No	0	0	0	0
17.	Kansas	KS	No	No	0	0	0	0
18.	Kentucky	KY	No	No	0	0	0	0
19.	Louisiana	LA	No	No	0	0	0	0
20.	Maine	ME	No	No	0	0	0	0
21.	Maryland	MD	No	No	0	0	0	0
22.	Massachusetts	MA	No	No	0	0	0	0
23.	Michigan	MI	No	No	0	0	0	0
24.	Minnesota	MN	No	No	0	0	0	0
25.	Mississippi	MS	No	No	0	0	0	0
26.	Missouri	MO	No	No	0	0	0	0
27.	Montana	MT	No	No	0	0	0	0
28.	Nebraska	NE	No	No	0	0	0	0
29.	Nevada	NV	No	No	0	0	0	0
30.	New Hampshire	NH	No	No	0	0	0	0
31.	New Jersey	NJ	No	No	0	0	0	0
32.	New Mexico	NM	No	No	0	0	0	0
33.	New York	NY	No	No	0	0	0	0
34.	North Carolina	NC	No	No	0	0	0	0
35.	North Dakota	ND	No	No	0	0	0	0
36.	Ohio	OH	No	Yes	0	0	0	0
37.	Oklahoma	OK	No	No	0	0	0	0
38.	Oregon	OR	No	No	0	0	0	0
39.	Pennsylvania	PA	No	No	0	0	0	0
40.	Rhode Island	RI	No	No	0	0	0	0
41.	South Carolina	SC	No	No	0	0	0	0
42.	South Dakota	SD	No	No	0	0	0	0
43.	Tennessee	TN	No	No	0	0	0	0
44.	Texas	TX	No	No	0	0	0	0
45.	Utah	UT	No	No	0	0	0	0
46.	Vermont	VT	No	No	0	0	0	0
47.	Virginia	VA	No	No	0	0	0	0
48.	Washington	WA	No	No	0	0	0	0
49.	West Virginia	WV	No	No	0	0	0	0
50.	Wisconsin	WI	No	No	0	0	0	0
51.	Wyoming	WY	No	No	0	0	0	0
52.	American Samoa	AS	No	No	0	0	0	0
53.	Guam	GU	No	No	0	0	0	0
54.	Puerto Rico	PR	No	No	0	0	0	0
55.	U.S. Virgin Islands	VI	No	No	0	0	0	0
56.	Canada	CN	No	No	0	0	0	0
57.	Aggregate other alien	OT	X X X	X X X	0	0	0	0
58.	TOTAL (Direct Business)		X X X	(a)..... 1	0	0	0	0
<b>DETAILS OF WRITE-INS</b>								
5701			X X X	X X X	0	0	0	0
5702			X X X	X X X	0	0	0	0
5703			X X X	X X X	0	0	0	0
5798.	Summary of remaining write-ins for Line 57 from overflow page		X X X	X X X	0	0	0	0
5799.	TOTALS (Lines 5701 through 5703 plus 5798) (Line 57 above)		X X X	X X X	0	0	0	0

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

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

All insurer members of a Holding Company Group that has acquired and/or disposed of any domestic insurer (s) since filing the last annual or quarterly statement shall prepare a common schedule for inclusion in each of the individual quarterly statements

**PART 1 - ORGANIZATIONAL CHART**

NOT APPLICABLE FOR THIS REPORTING PERIOD.  
NOT APPLICABLE FOR THIS REPORTING PERIOD.

## **SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

**RESPONSES**

Yes

1. Will the SVO Compliance Certification be filed with this statement?

Explanation:

Bar Code:

**OVERFLOW PAGE FOR WRITE-INS**

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<b>E01</b>	<b>Schedule A Part 2</b> .....	<b>NONE</b>
<b>E01</b>	<b>Schedule A Part 3</b> .....	<b>NONE</b>
<b>E02</b>	<b>Schedule B Part 1</b> .....	<b>NONE</b>
<b>E02</b>	<b>Schedule B Part 2</b> .....	<b>NONE</b>
<b>E03</b>	<b>Schedule BA Part 1</b> .....	<b>NONE</b>
<b>E03</b>	<b>Schedule BA Part 2</b> .....	<b>NONE</b>
<b>E04</b>	<b>Schedule D Part 3</b> .....	<b>NONE</b>
<b>E05</b>	<b>Schedule D Part 4</b> .....	<b>NONE</b>
<b>E06</b>	<b>Schedule DB Part A Section 1</b> .....	<b>NONE</b>
<b>E06</b>	<b>Schedule DB Part B Section 1</b> .....	<b>NONE</b>
<b>E07</b>	<b>Schedule DB Part C Section 1</b> .....	<b>NONE</b>
<b>E07</b>	<b>Schedule DB Part D Section 1</b> .....	<b>NONE</b>
<b>E08</b>	<b>Schedule E Part 1 Cash</b> .....	<b>NONE</b>

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