

## AMENDED FILING COVER SHEET

Amended File Title	Amended Explanation
Jurat Assets Liabilities, Surplus and Other Funds Statement of Income Notes to Financial Statements	Amended Filing Change in non admitted asset Change in current FIT Liability Line 27 - Change in nonadmitted assets Note 10 modified, Added note 20



16705201120100107

# QUARTERLY STATEMENT

**AS OF JUNE 30, 2011**  
OF THE CONDITION AND AFFAIRS OF THE

## Dealers Assurance Company

NAIC Group Code	0000 (Current Period)	0000 (Prior Period)	NAIC Company Code	16705	Employer's ID Number	34-6513705
Organized under the Laws of Country of Domicile	Ohio US		State of Domicile or Port of Entry Ohio			
Incorporated/Organized:	August 2, 1935			Commenced Business: August 2, 1935		
Statutory Home Office:	3518 Riverside Drive (Street and Number)		Upper Arlington, OH 43221 (City or Town, State and Zip Code)			
Main Administrative Office:	3518 Riverside Drive Upper Arlington, OH 43221 (Street and Number)		800-282-8913 (Area Code) (Telephone Number)			
Mail Address:	3518 Riverside Drive (Street and Number or P.O. Box)		Upper Arlington, OH 43221 (City or Town, State and Zip Code)			
Primary Location of Books and Records:	3518 Riverside Drive (Street and Number)		Upper Arlington, OH 43221 (City or Town, State and Zip Code)			
Internet Website Address:	www.dealersassurance.com					
Statutory Statement Contact:	Kelly Hixon (Name)		800-282-8913-206 (Area Code) (Telephone Number) (Extension)			
	khixon@dealersassurance.com (E-Mail Address)		614-459-2665 (Fax Number)			

## OFFICERS

	Name	Title
1.	Kirk Alan Borchardt	CEO/President
2.	Sharon Mae Spohn	Secretary/Treasurer
3.	Sharon Mae Spohn	Treasurer/Secretary

## VICE-PRESIDENTS

State of Ohio

County of Franklin ss

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)  
Kirk Alan Borchardt  
(Printed Name)  
1.  
CEO/President  
(Title)

---

(Signature)  
Sharon Mae Spohn  
(Printed Name)  
2.  
Secretary/Treasurer  
(Title)

---

Is this an original filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
1. State the amendment number	1
2. Date filed	09/16/2011
3. Number of pages attached	5

Subscribed and sworn to before me this  
12th day of May \_\_\_\_\_, 2011

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	54,816,198		54,816,198	53,729,938
2. Stocks:				
2.1 Preferred stocks	3,614,964		3,614,964	3,311,269
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 1,416,484), cash equivalents (\$ 0), and short-term investments (\$ 2,232,506)	3,648,990		3,648,990	4,102,492
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	62,080,152		62,080,152	61,143,699
13. Title plants less \$ 0 charged off (for Title insurers only)	474,928		474,928	517,980
14. Investment income due and accrued				
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	1,441,299		1,441,299	1,187,951
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)	3,579		3,579	2,886
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	858,820		858,820	842,612
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$ 0)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	1,240,147	1,240,147		
24. Health care (\$ 0) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	818,071	7,360	810,711	349,542
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	66,916,996	1,247,507	65,669,489	64,044,670
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	66,916,996	1,247,507	65,669,489	64,044,670

DETAILS OF WRITE-IN LINES				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Accounts Receivable	810,711		810,711	349,542
2502. Prepaid Expenses	7,360	7,360		
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	818,071	7,360	810,711	349,542

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 11,929)	12,929	14,781
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	1,204	1,643
4. Commissions payable, contingent commissions and other similar charges	433,747	455,269
5. Other expenses (excluding taxes, licenses and fees)	424,825	373,800
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	(73,350)	668,261
7.1. Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	(115,845)	193,647
7.2. Net deferred tax liability		
8. Borrowed money \$ 0 and interest thereon \$ 0		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 103,198,861 and including warranty reserves of \$ 12,265,956)	13,363,643	12,682,616
10. Advance premium		
11. Dividends declared and unpaid:		
11.1. Stockholders		
11.2. Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	552,620	413,478
13. Funds held by company under reinsurance treaties	4,755,654	4,602,119
14. Amounts withheld or retained by company for account of others	3,972,856	4,756,295
15. Remittances and items not allocated	22,450	22,450
16. Provision for reinsurance	287,000	274,000
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		
20. Derivatives		
21. Payable for securities	8,706	220
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		
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	23,646,439	24,458,579
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	23,646,439	24,458,579
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	4,200,990	4,200,990
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes	3,000,000	3,000,000
34. Gross paid in and contributed surplus	9,232,810	9,232,810
35. Unassigned funds (surplus)	25,589,251	23,152,291
36. Less treasury stock, at cost:		
36.1. 0 shares common (value included in Line 30 \$ 0)		
36.2. 0 shares preferred (value included in Line 31 \$ 0)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	42,023,051	39,586,091
38. Totals (Page 2, Line 28, Col. 3)	65,669,490	64,044,670

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

**STATEMENT OF INCOME**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 47,203,457)	34,237,610	30,425,587	9,149,667
1.2 Assumed (written \$ (56))	304	1,109,227	
1.3 Ceded (written \$ 42,496,787)	30,212,327	27,543,336	
1.4 Net (written \$ 4,706,614)	4,025,587	3,991,478	9,149,667
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 22,341,812):			
2.1 Direct	22,336,703	19,384,856	538,802
2.2 Assumed	(29,545)	624,717	
2.3 Ceded	22,106,136	19,716,988	
2.4 Net	201,022	292,585	538,802
3. Loss adjustment expenses incurred	154,780	158,595	389,776
4. Other underwriting expenses incurred	1,504,926	1,256,030	3,245,662
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	1,860,728	1,707,210	4,174,240
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	2,164,859	2,284,268	4,975,427
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	625,956	736,318	1,320,931
10. Net realized capital gains (losses) less capital gains tax of \$ 0	127,341	4,312	33,486
11. Net investment gain (loss) (Lines 9 + 10)	753,297	740,630	1,354,417
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ 0)			
13. Finance and service charges not included in premiums	17,949	8,107	16,658
14. Aggregate write-ins for miscellaneous income			
15. Total other income (Lines 12 through 14)	17,949	8,107	16,658
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	2,936,105	3,033,005	6,346,502
17. Dividends to policyholders			
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)	2,936,105	3,033,005	6,346,502
19. Federal and foreign income taxes incurred	1,040,508	1,053,376	2,108,672
20. Net income (Line 18 minus Line 19) (to Line 22)	1,895,597	1,979,629	4,237,830
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	39,586,091	36,597,168	36,597,168
22. Net income (from Line 20)	1,895,597	1,979,629	4,237,830
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0	179,833	(273,101)	331,276
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	16,208	99,135	475,376
27. Change in nonadmitted assets	358,322	(539,597)	218,441
28. Change in provision for reinsurance			
29. Change in surplus notes	(13,000)		(274,000)
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			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			(2,000,000)
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	2,436,960	1,266,066	2,988,923
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	42,023,051	37,863,234	39,586,091

DETAILS OF WRITE-IN LINES			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 05 from overflow page			
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)			
1401. Misc. Income	10,702	7,503	1,536
1402. Roadside Commission	7,057	494	15,012
1403. Transfer Fee Income	190	110	110
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	17,949	8,107	16,658
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)			

# NOTES TO FINANCIAL STATEMENTS

## 1. Summary of Significant Accounting Policies

### a. Accounting Practices

The accompanying financial statements of Dealers Assurance Company have been prepared in conformity with accounting practices prescribed or permitted by the National Association of Insurance Commissioners and the State of Ohio. The company adopted codification as of 01/01/01.

1b. – 5a. No changes to note

### 5d. Loan-Backed Securities

1. Bloomberg is used as a source for the prepayment factors.
2. – 4. Not applicable, no permanently impaired bonds.
5. No impairments exist other than interest rate related declines classified as temporary.

5e.-8. No changes to note

## 9. Income Taxes

A. The components of the net deferred tax assets/(liability) at June 30, 2011 are as follows:

1	6/30/2011			12/31/2010			Change		
	Ordinary	Capital	2010 Total	Ordinary	Capital	2010 Total	Ordinary	Capital	Total
(a) Gross deferred assets	934,829	514,664	1,449,493	888,519	514,664	1,403,183	46,310	0	46,310
(b) Statutory valuation allowance adjustment									
(c) Adjusted Gross Deferred Tax Assets	934,829	514,664	1,449,493	888,519	514,664	1,403,183	46,310	0	46,310
(d) Deferred tax liabilities	(160,095)	0	(160,095)	(98,694)	0	(98,694)	(61,401)		(61,401)
(e) Subtotal (Net Deferred Tax Assets)	774,734	514,664	1,289,398	789,825	514,664	1,304,489	(15,091)	0	(15,091)
(f) Deferred Tax Assets Nonadmitted	430,578	0	430,578	461,877	0	461,877	(31,299)	0	(31,299)
(g) Net Admitted Deferred Tax Asset	344,156	514,664	858,820	327,948	514,664	842,612	16,208	0	16,208
4									

4	6/30/2011			12/31/2010			Change		
	Ordinary	Capital	2011 Total	Ordinary	Capital	2010 Total	Ordinary	Capital	Total

Admission Calculation Components									
SSAP No. 10R, Paragraphs 10a., 10b. and 10c.									
(a) SSAP No. 10R, Paragraph 10.a.	0	0	0	0	0	0	0	0	0
(b) SSAP No. 10R, Paragraph 10.b.	344,156	0	344,156	327,948	0	327,948	16,208	0	16,208
(c) (the lesser of paragraph 10 b.i. and 10 b.ii. below)									
(c) SSAP No. 10R, Paragraph 10.b.i.	160,095		160,095	98,694		98,694	61,401		61,401
(d) SSAP No. 10R, Paragraph 10.b.ii.									
(e) SSAP No. 10R, Paragraph 10.c.									
(f) Total (4a+4b+4e)	344,156		344,156	327,948		327,948	16,208		16,208

Admission Calculation Components									
SSAP No 10R, Paragraph 10e.									
(g) SSAP No. 10R, Paragraph 10.e.i.		514,664	514,664			514,664	514,664	0	0
(h) SSAP No. 10R, Paragraph 10.e.ii.									
(h) (the lesser paragraph of 10e.i.i.a. and 10e.ii.b. below)									
(i) SSAP No. 10R, Paragraph 10 e.ii.a.									
(j) SSAP No. 10R, Paragraph 10 e.ii.b.									
(k) SSAP No. 10R, Paragraph 10 e.iii.									
(l) Total (4g+4h+4k)		514,664	514,664			514,664	514,664	0	0

Used in SSAP No. 10R, Paragraph 10d.			41,683,051			39,586,091			2,096,960
(m) Total Adjusted Capital			4,743,186			4,743,186			0
(n) Authorized Control Level									

5	6/30/2011			12/31/2010			Change		
	Ordinary	Capital	2011 Total	Ordinary	Capital	2010 Total	Ordinary	Capital	Total
SSAP No. 10R, Paragraphs 10a., 10b., and 10c.:									
(a) Admitted deferred tax asset	504,251	0	504,251	426,642	0	426,642	77,609	0	77,609
(b) Admitted Assets			65,669,489			64,044,670			1,624,819
(c) Adjusted Statutory Surplus"			41,683,051			39,586,091			2,096,960
(d) Total Admitted Capital from DTAs			344,156			327,948			16,208

Increases due to SSAP No. 10R, Paragraph 10e.									
(e) Admitted Deferred Tax Assets		514,664	514,664		514,664	514,664		0	0
(f) Admitted Assets			65,669,489			64,044,670			1,624,819
(g) Statutory Surplus			41,683,051			39,586,091			2,096,960

6	6/30/2011			12/31/2010			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total

Impact of Tax Planning Strategies									
(a) Adjusted Gross DTAs	0%	35.51%	35.51%						
(a) (% of Total Admitted Gross DTAs)									

(b) Net Admitted Adjusted Gross DTAs	0%	59.93%	59.93%						
(b) (% of Total Net Admitted Adjusted Gross DTAs)									

B. Deferred tax liabilities are not recognized for the following amounts:

The Company did not have any deferred tax liabilities that were not recognized

C. Current income taxes incurred consist of the following major components:

	2011	2010
Federal	\$1,040,508	\$2,108,672
Foreign	\$0	\$0

Current income taxes incurred \$1,040,508 \$2,108,672

The main components of the 2011 deferred tax amounts are as follows:

DTA'S	6/30/2011	1/1/2011
Change in unearned premium reserves	908,728	862,418
Reserve Discount	838	838
Acc'd Vacation	25,264	25,264
Capital Loss Carry Forward	514,664	514,664

## NOTES TO FINANCIAL STATEMENTS

DTL'S	Unrealized Capital Losses	-	-
	Total DTA's	1,449,493	1,403,184
	DTA's nonadmitted	430,578	461,877
	Admitted Deferred Tax Assets	1,018,915	941,307
	Unrealized Capital Gains	140,443	79,042
	Disc't Bonds	19,652	19,652
	Total DTL's	160,095	98,694
	Net Admitted Deferred Tax Asset	858,820	842,612
	The changes in main components of DTA's and DTL's are as follows:		
	2011	2010	Change
	DTA's resulting from book/tax differences in		
	Reserves	908,728	862,418
	Reserve Disc't	838	838
	Acc'd Vacation	25,264	25,264
	Capital Loss Carry-Forward	514,664	514,664
	Unrealized Cap Losses	-	-
	Total DTA's	1,449,493	1,403,183
	DTA's nonadmitted	430,578	461,877
	DTL's resulting from book/tax differences in		
	Unrealized Capital Gains	140,443	79,042
	Disc't on Bonds	19,652	19,652
	Total DTL's	160,095	98,694
	61,401	61,401	

## D. Among the more significant book to tax adjustments were the following:

	Amount	Tax Effect
Income before taxes	2,936,105	998,276
Book over tax reserves	136,205	46,310
Dividends Received Deduction	(22,565)	(7,672)
Acc'd Vacation	3,717	1,264
Other	6,856	2,331
Capital Loss Carry-Forward	-	-
Total adjustments	124,213	42,232
Total Income	3,060,318	1,040,508

E. 1. At December 31, 2010, the Company had \$0 of operating loss carry forwards.

2. The following are income taxes incurred in the current and prior year that will be available for recoupment in the event of future net losses.

2010 \$2,108,672

2009 \$2,470,288

3. the company had no protective tax deposits as admitted assets under Section 6603 of the Internal Revenue Service Code as of December 31, 2010 and 2009.

F. Dealers Assurance Company's federal income tax return is consolidated with Dealers Alliance Corporation and DAC Insurance Agency, Inc. A written agreement exists setting forth the manner in which the federal income tax is to be allocated to each entity. The federal income tax allocated to this company is based on its portion of the net consolidated income.

### 10. Information Concerning Parent, Subsidiaries and Affiliates and Other Related Parties

## A.- F. No changes to Note

G. The parent company, Dealers Alliance Corporation, is a non-insurance entity. The Company had no transactions other than cost allocation with its parent company. Through 09/30/10 (and prior years) Dealers Assurance Company provided funds for federal income tax deposits (on a consolidated basis). In prior years other companies included in consolidated tax return reimbursed their portion of federal income tax deposits on a quarterly basis. However, at June 30, 2011, there was approximately \$1.2M receivable that had not been reimbursed by Dealers Alliance Corporation. Dealers Assurance Company has reflected that receivable on Asset line 23 – Receivables from parent, subsidiaries and affiliates. The Company has listed this receivable as a non admitted asset.

H. Dealers Assurance Company holds no investments in its parent company or affiliates.

### 11. – 16.

No changes to note.

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

The Company does not have any sales or transfers to report.

### 18. – 19.

No changes to note.

### 20. Fair Value Measurements

## A.

## (1) Assets Measured at Fair Value on a Recurring Basis

(1) Description	(2) (Level 1)	(3) (Level 2)	(4) (Level 3)	(5) Total
a. Assets at fair value				
Preferred Stock				
Bonds				
Common Stock (Ind & Misc)	\$ 3,614,964			\$ 3,614,964
Derivative assets				
Separate account assets				
Total assets at fair value	\$ 3,614,964	-	-	\$ 3,614,964
b. Liabilities at fair value	\$			\$
Total liabilities at fair value	\$			\$

## (2,4) Assets Measured at Fair Value on a Recurring Basis Using Significant Unobservable Inputs

## NOTES TO FINANCIAL STATEMENTS

---

(Level 3)

**21. – 24.**

No changes to note.

**25. Change in Incurred Losses and Loss Adjustment Expenses**

Reserves as of December 31, 2010 were \$16,424. As of June 30, 2011 \$10,766 was paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves for prior year are now \$1,000. There was no re-estimation of unpaid claims and claim adjustment expenses. There has been a \$5,000 prior year development. Business written by DAC is related to service contracts issued on an assortment of consumer goods, but primarily, automobile service contracts. Historically, losses on this coverage are settled within 90 days of incurred date (98.7%); and the balance is settled within 180 days of incurred date.

**26. – 29.**

No changes to note.

**30. Premium Deficiency Reserves**

On February 25, 2011 the company's outside actuaries reviewed the reserves at 12/31/10. Using anticipated investment income it was determined that the company had an adequate reserve liability set up and did not need to carry an additional liability for premium deficiencies.

**31.-35**

**36. Financial Guaranty Insurance**

The company does not write financial guaranty insurance.