



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

# ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2012  
OF THE CONDITION AND AFFAIRS OF THE

## Bristol West Insurance Company

NAIC Group Code 0212 0212 NAIC Company Code 19658 Employer's ID Number 38-1865162  
(Current) (Prior)

Organized under the Laws of Ohio, State of Domicile or Port of Entry OH  
Country of Domicile United States of America

Incorporated/Organized 02/09/1968 Commenced Business 06/10/1968

Statutory Home Office Rockside Center III 5990 West Creek Road, Independence, OH, US 44131  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 5701 Stirling Road  
(Street and Number)  
Davie, FL, US 33314 954-316-5200  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 5701 Stirling Road, Davie, FL, US 33314  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 5701 Stirling Road  
(Street and Number)  
Davie, FL, US 33314 954-316-5200  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.bristolwest.com

Statutory Statement Contact Maria Eugenia Aguilera, 954-316-5200  
(Name) (Area Code) (Telephone Number)  
mary.aguilera@farmersinsurance.com 954-316-5218  
(E-mail Address) (FAX Number)

### OFFICERS

President Timothy Martin Madden # Treasurer Maria Eugenia Aguilera  
Secretary Martin Robert Brown

### OTHER

Bryan Francis Murphy Ronald Gregory Myhan Jeffrey Michael Sauls  
Audrey Elaine Sylvan # Todd Michael Williams #

### DIRECTORS OR TRUSTEES

Kenneth Wayne Bentley Peter David Kaplan David Wayne Louie #  
Dale Anne Marlin # Timothy Martin Madden # Ronald Gregory Myhan  
Donald Eugene Rodriguez John Tsu-Chao Wuo

State of Florida SS:  
County of Broward

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.

Timothy M. Madden  
President

Martin R. Brown  
Secretary

Maria E. Aguilera  
Treasurer

Subscribed and sworn to before me this  
28th day of February, 2012

- 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.....

Nancy Becker  
Notary Public  
10/22/2013

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**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) .....	57,205,922		57,205,922	65,811,254
2. Stocks (Schedule D):				
2.1 Preferred stocks .....				
2.2 Common stocks .....				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ .....				
encumbrances) .....				
4.2 Properties held for the production of income (less				
\$ .....				
encumbrances) .....				
4.3 Properties held for sale (less \$ .....				
encumbrances) .....				
5. Cash (\$ .....182,794 , Schedule E - Part 1), cash equivalents				
(\$ ....., Schedule E - Part 2) and short-term				
investments (\$ .....10,308,000 , Schedule DA) .....	10,490,794		10,490,794	6,372,588
6. Contract loans (including \$ ..... premium notes) .....				
7. Derivatives (Schedule DB) .....				
8. Other invested assets (Schedule BA) .....				
9. Receivable for securities .....				
10. Securities lending reinvested collateral assets (Schedule DL) .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	67,696,716		67,696,716	72,183,842
13. Title plants less \$ ..... charged off (for Title insurers				
only) .....				
14. Investment income due and accrued .....	416,012		416,012	626,753
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	5,546,623	3,284,341	2,262,282	1,906,091
15.2 Deferred premiums, agents' balances and installments booked but				
deferred and not yet due (including \$ .....				
earned but unbilled premiums) .....	50,656,850		50,656,850	56,402,882
15.3 Accrued retrospective premiums .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	16,784,618		16,784,618	20,071,012
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 .....	2,886,448	1,117,353	1,769,095	1,645,351
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....				
21. Furniture and equipment, including health care delivery assets				
(\$ ..... ) .....				
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....				
24. Health care (\$ ..... ) and other amounts receivable .....				
25. Aggregate write-ins for other than invested assets .....	258,795		258,795	281,610
26. Total assets excluding Separate Accounts, Segregated Accounts and				
Protected Cell Accounts (Lines 12 to 25) .....	144,246,062	4,401,694	139,844,368	153,117,541
27. From Separate Accounts, Segregated Accounts and Protected Cell				
Accounts .....				
28. Total (Lines 26 and 27)	144,246,062	4,401,694	139,844,368	153,117,541
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)				
2501. Other .....	258,795		258,795	281,610
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	258,795		258,795	281,610

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company  
**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8) .....	2,597,393	3,393,516
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) .....	198,952	445,297
4. Commissions payable, contingent commissions and other similar charges .....	3,352,481	3,332,156
5. Other expenses (excluding taxes, licenses and fees) .....	103,255	159,244
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	1,637,137	1,210,729
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....		
7.2 Net deferred tax liability .....		
8. Borrowed money \$ ..... and interest thereon \$ .....		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ .....66,141,987 and including warranty reserves of \$ ..... and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) .....		
10. Advance premium .....	518,780	683,122
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....		
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	84,224,288	93,114,208
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 .....		
15. Remittances and items not allocated .....		
16. Provision for reinsurance (including \$ ..... 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 .....	516,407	4,480,336
20. Derivatives .....		
21. Payable for securities .....		
22. Payable for securities lending .....		
23. Liability for amounts held under uninsured plans .....		
24. Capital notes \$ ..... and interest thereon \$ .....		
25. Aggregate write-ins for liabilities .....	1,728,878	1,142,191
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	94,877,571	107,960,799
27. Protected cell liabilities .....		
28. Total liabilities (Lines 26 and 27) .....	94,877,571	107,960,799
29. Aggregate write-ins for special surplus funds .....		
30. Common capital stock .....	3,000,000	3,000,000
31. Preferred capital stock .....		
32. Aggregate write-ins for other than special surplus funds .....		
33. Surplus notes .....		
34. Gross paid in and contributed surplus .....	18,000,000	18,000,000
35. Unassigned funds (surplus) .....	23,966,797	24,156,742
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ ..... ) .....		
36.2 ..... shares preferred (value included in Line 31 \$ ..... ) .....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39) .....	44,966,797	45,156,742
38. TOTALS (Page 2, Line 28, Col. 3)	139,844,368	153,117,541
<b>DETAILS OF WRITE-INS</b>		
2501. Checks pending escheatment .....	1,728,878	1,142,191
2502. ....		
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	1,728,878	1,142,191
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....		
2999. Totals (Lines 2901 thru 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 thru 3203 plus 3298)(Line 32 above)		

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**STATEMENT OF INCOME**

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4).....		
<b>DEDUCTIONS:</b>		
2. Losses incurred (Part 2, Line 35, Column 7).....	1,143,994	1,289,729
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	522,332	197,525
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	1,632	9,329
5. Aggregate write-ins for underwriting deductions.....		
6. Total underwriting deductions (Lines 2 through 5).....	1,667,958	1,496,583
7. Net income of protected cells.....		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7).....	(1,667,958)	(1,496,583)
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	2,130,779	2,715,709
10. Net realized capital gains or (losses) less capital gains tax of \$ .....155 (Exhibit of Capital Gains (Losses) ).....	(1,148,612)	(28,013)
11. Net investment gain (loss) (Lines 9 + 10).....	982,167	2,687,696
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ ..... amount charged off \$ ..... ).....		
13. Finance and service charges not included in premiums.....		
14. Aggregate write-ins for miscellaneous income.....	(218,113)	8,261
15. Total other income (Lines 12 through 14).....	(218,113)	8,261
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	(903,904)	1,199,374
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).....	(903,904)	1,199,374
19. Federal and foreign income taxes incurred.....	4,845	(43,185)
20. Net income (Line 18 minus Line 19)(to Line 22).....	(908,749)	1,242,559
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	45,156,742	43,240,456
22. Net income (from Line 20).....	(908,749)	1,242,559
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ .....209,868.....	389,754	(51,207)
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	460,682	(505,016)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3).....	(131,632)	1,229,950
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.....		
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.....		
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	(189,945)	1,916,286
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	44,966,797	45,156,742
<b>DETAILS OF WRITE-INS</b>		
0501. ....		
0502. ....		
0503. ....		
0598. Summary of remaining write-ins for Line 5 from overflow page.....		
0599. Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above).....		
1401. Other.....	(218,113)	8,261
1402. ....		
1403. ....		
1498. Summary of remaining write-ins for Line 14 from overflow page.....		
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above).....	(218,113)	8,261
3701. ....		
3702. ....		
3703. ....		
3798. Summary of remaining write-ins for Line 37 from overflow page.....		
3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above).....		

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**CASH FLOW**

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	(3,706,483)	(40,595,761)
2. Net investment income .....	2,604,318	3,285,524
3. Miscellaneous income .....	(218,113)	8,261
4. Total (Lines 1 through 3) .....	(1,320,278)	(37,301,976)
5. Benefit and loss related payments .....	(1,346,277)	(23,934,367)
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7. Commissions, expenses paid and aggregate write-ins for deductions .....	379,565	904,467
8. Dividends paid to policyholders .....		
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	5,000	1,653,879
10. Total (Lines 5 through 9) .....	(961,712)	(21,376,021)
11. Net cash from operations (Line 4 minus Line 10) .....	(358,566)	(15,925,955)
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	18,270,168	21,185,788
12.2 Stocks .....		
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) .....	18,270,168	21,185,788
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	10,438,970	16,686,694
13.2 Stocks .....		
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) .....	10,438,970	16,686,694
14. Net increase (decrease) in contract loans and premium notes .....		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	7,831,198	4,499,094
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....		
16.2 Capital and paid in surplus, less treasury stock .....		
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) .....	(3,354,426)	(8,298,953)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(3,354,426)	(8,298,953)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	4,118,206	(19,725,814)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	6,372,588	26,098,402
19.2 End of period (Line 18 plus Line 19.1) .....	10,490,794	6,372,588

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

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**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1 - PREMIUMS EARNED

		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
Line of Business					
1.	Fire .....				
2.	Allied lines .....				
3.	Farmowners multiple peril .....				
4.	Homeowners multiple peril .....				
5.	Commercial multiple peril .....				
6.	Mortgage guaranty .....				
8.	Ocean marine .....				
9.	Inland marine .....				
10.	Financial guaranty .....				
11.1	Medical professional liability - occurrence .....				
11.2	Medical professional liability - claims-made .....				
12.	Earthquake .....				
13.	Group accident and health .....				
14.	Credit accident and health (group and individual) .....				
15.	Other accident and health .....				
16.	Workers' compensation .....				
17.1	Other liability - occurrence .....				
17.2	Other liability - claims-made .....				
17.3	Excess workers' compensation .....				
18.1	Products liability - occurrence .....				
18.2	Products liability - claims-made .....				
19.1, 19.2	Private passenger auto liability .....				
19.3, 19.4	Commercial auto liability .....				
21.	Auto physical damage .....				
22.	Aircraft (all perils) .....				
23.	Fidelity .....				
24.	Surety .....				
26.	Burglary and theft .....				
27.	Boiler and machinery .....				
28.	Credit .....				
29.	International .....				
30.	Warranty .....				
31.	Reinsurance - nonproportional assumed property .....				
32.	Reinsurance - nonproportional assumed liability .....				
33.	Reinsurance - nonproportional assumed financial lines .....				
34.	Aggregate write-ins for other lines of business .....				
35.	<b>TOTALS</b>				
<b>DETAILS OF WRITE-INS</b>					
3401.	.....				
3402.	.....				
3403.	.....				
3498.	Summary of remaining write-ins for Line 34 from overflow page .....				
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)				

**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 .....					
2.	Allied lines .....					
3.	Farmowners multiple peril .....					
4.	Homeowners multiple peril .....					
5.	Commercial multiple peril .....					
6.	Mortgage guaranty .....					
8.	Ocean marine .....					
9.	Inland marine .....					
10.	Financial guaranty .....					
11.1	Medical professional liability - occurrence .....					
11.2	Medical professional liability - claims-made .....					
12.	Earthquake .....					
13.	Group accident and health .....					
14.	Credit accident and health (group and individual) .....					
15.	Other accident and health .....					
16.	Workers' compensation .....					
17.1	Other liability - occurrence .....					
17.2	Other liability - claims-made .....					
17.3	Excess workers' compensation .....					
18.1	Products liability - occurrence .....					
18.2	Products liability - claims-made .....					
19.1, 19.2	Private passenger auto liability .....					
19.3, 19.4	Commercial auto liability .....					
21.	Auto physical damage .....					
22.	Aircraft (all perils) .....					
23.	Fidelity .....					
24.	Surety .....					
26.	Burglary and theft .....					
27.	Boiler and machinery .....					
28.	Credit .....					
29.	International .....					
30.	Warranty .....					
31.	Reinsurance - nonproportional assumed property .....					
32.	Reinsurance - nonproportional assumed liability .....					
33.	Reinsurance - nonproportional assumed financial lines .....					
34.	Aggregate write-ins for other lines of business .....					
35.	<b>TOTALS</b>					
36.	Accrued retrospective premiums based on experience .....					
37.	Earned but unbilled premiums .....					
38.	Balance (Sum of Line 35 through 37)					
<b>DETAILS OF WRITE-INS</b>						
3401.	.....					
3402.	.....					
3403.	.....					
3498.	Summary of remaining write-ins for Line 34 from overflow page .....					
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)					

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

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**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 .....						
2. Allied lines .....						
3. Farmowners multiple peril .....						
4. Homeowners multiple peril .....						
5. Commercial multiple peril .....						
6. Mortgage guaranty .....						
8. Ocean marine .....						
9. Inland marine .....						
10. Financial guaranty .....						
11.1 Medical professional liability - occurrence .....						
11.2 Medical professional liability - claims-made .....						
12. Earthquake .....						
13. Group accident and health .....						
14. Credit accident and health (group and individual) .....						
15. Other accident and health .....						
16. Workers' compensation .....						
17.1 Other liability - occurrence .....						
17.2 Other liability - claims-made .....						
17.3 Excess workers' compensation .....						
18.1 Products liability - occurrence .....						
18.2 Products liability - claims-made .....						
19.1, 19.2 Private passenger auto liability .....	168,419,004			167,908,625	510,379	
19.3, 19.4 Commercial auto liability .....						
21. Auto physical damage .....	74,961,577			74,961,577		
22. Aircraft (all perils) .....						
23. Fidelity .....						
24. Surety .....						
26. Burglary and theft .....						
27. Boiler and machinery .....						
28. Credit .....						
29. International .....						
30. Warranty .....						
31. Reinsurance - nonproportional assumed property .....	XXX					
32. Reinsurance - nonproportional assumed liability .....	XXX					
33. Reinsurance - nonproportional assumed financial lines .....	XXX					
34. Aggregate write-ins for other lines of business .....						
35. TOTALS	243,380,581			242,870,202	510,379	
<b>DETAILS OF WRITE-INS</b>						
3401. ....						
3402. ....						
3403. ....						
3498. Summary of remaining write-ins for Line 34 from overflow page .....						
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)						

(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 \$ .....

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

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**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 .....								
2. Allied lines .....								
3. Farmowners multiple peril .....								
4. Homeowners multiple peril .....								
5. Commercial multiple peril .....								
6. Mortgage guaranty .....								
8. Ocean marine .....								
9. Inland marine .....								
10. Financial guaranty .....								
11.1 Medical professional liability - occurrence .....								
11.2 Medical professional liability - claims-made .....								
12. Earthquake .....								
13. Group accident and health .....								
14. Credit accident and health (group and individual) .....								
15. Other accident and health .....								
16. Workers' compensation .....								
17.1 Other liability - occurrence .....								
17.2 Other liability - claims-made .....								
17.3 Excess workers' compensation .....								
18.1 Products liability - occurrence .....								
18.2 Products liability - claims-made .....								
19.1, 19.2 Private passenger auto liability .....	121,535,983		119,554,070	1,981,913	2,629,103	3,405,452	1,205,564	
19.3, 19.4 Commercial auto liability .....								
21. Auto physical damage .....	49,537,080		49,578,876	(41,796)	(31,710)	(11,936)	(61,570)	
22. Aircraft (all perils) .....								
23. Fidelity .....								
24. Surety .....								
26. Burglary and theft .....								
27. Boiler and machinery .....								
28. Credit .....								
29. International .....								
30. Warranty .....								
31. Reinsurance - nonproportional assumed property .....	XXX							
32. Reinsurance - nonproportional assumed liability .....	XXX							
33. Reinsurance - nonproportional assumed financial lines .....	XXX							
34. Aggregate write-ins for other lines of business .....								
35. TOTALS	171,073,063		169,132,946	1,940,117	2,597,393	3,393,516	1,143,994	
<b>DETAILS OF WRITE-INS</b>								
3401. ....								
3402. ....								
3403. ....								
3498. Summary of remaining write-ins for Line 34 from overflow page .....								
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)								

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**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 Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed		
1. Fire								
2. Allied lines								
3. Farmowners multiple peril								
4. Homeowners multiple peril								
5. Commercial multiple peril								
6. Mortgage guaranty								
8. Ocean marine								
9. Inland marine								
10. Financial guaranty								
11.1 Medical professional liability - occurrence								
11.2 Medical professional liability - claims-made								
12. Earthquake								
13. Group accident and health							(a)	
14. Credit accident and health (group and individual)							(a)	
15. Other accident and health								
16. Workers' compensation								
17.1 Other liability - occurrence								
17.2 Other liability - claims-made								
17.3 Excess workers' compensation								
18.1 Products liability - occurrence								
18.2 Products liability - claims-made								
19.1, 19.2 Private passenger auto liability	68,390,334		66,770,745	1,619,589	53,059,230	52,049,716	2,629,103	197,039
19.3, 19.4 Commercial auto liability								
21. Auto physical damage	2,844,945		2,844,590	355	362,004	394,069	(31,710)	1,913
22. Aircraft (all perils)								
23. Fidelity								
24. Surety								
26. Burglary and theft								
27. Boiler and machinery								
28. Credit								
29. International								
30. Warranty								
31. Reinsurance - nonproportional assumed property	XXX				XXX			
32. Reinsurance - nonproportional assumed liability	XXX				XXX			
33. Reinsurance - nonproportional assumed financial lines	XXX				XXX			
34. Aggregate write-ins for other lines of business								
35. TOTALS	71,235,279		69,615,335	1,619,944	53,421,234	52,443,785	2,597,393	198,952
<b>DETAILS OF WRITE-INS</b>								
3401.								
3402.								
3403.								
3498. Summary of remaining write-ins for Line 34 from overflow page								
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)								

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

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**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 .....	4,924,399			4,924,399
1.2 Reinsurance assumed .....				
1.3 Reinsurance ceded .....	38,071,334			38,071,334
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3) .....	(33,146,935)			(33,146,935)
2. Commission and brokerage:				
2.1 Direct excluding contingent .....		27,008,177		27,008,177
2.2 Reinsurance assumed, excluding contingent .....				
2.3 Reinsurance ceded, excluding contingent .....		79,222,816		79,222,816
2.4 Contingent - direct .....				
2.5 Contingent - reinsurance assumed .....				
2.6 Contingent - reinsurance ceded .....				
2.7 Policy and membership fees .....				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) .....		(52,214,639)		(52,214,639)
3. Allowances to managers and agents .....		17,556		17,556
4. Advertising .....		2,418,371		2,418,371
5. Boards, bureaus and associations .....		155,003		155,003
6. Surveys and underwriting reports .....		2,073,965		2,073,965
7. Audit of assureds' records .....		89,039		89,039
8. Salary and related items:				
8.1 Salaries .....	17,323,195	21,235,316	49,042	38,607,553
8.2 Payroll taxes .....	1,713,443	1,593,854	4,025	3,311,322
9. Employee relations and welfare .....	7,231,164	6,531,610	85	13,762,859
10. Insurance .....	391,605	306,836		698,441
11. Directors' fees .....				
12. Travel and travel items .....	1,507,266	889,420	1,829	2,398,515
13. Rent and rent items .....	1,494,091	2,467,973		3,962,064
14. Equipment .....	563,358	568,253	1,404	1,133,015
15. Cost or depreciation of EDP equipment and software .....	427,019	3,982,487		4,409,506
16. Printing and stationery .....	136,331	392,151	215	528,697
17. Postage, telephone and telegraph, exchange and express .....	1,067,085	2,353,669	6	3,420,760
18. Legal and auditing .....	335,506	625,548	11	961,065
19. Totals (Lines 3 to 18) .....	32,190,063	45,701,051	56,617	77,947,731
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ .....		5,319,628		5,319,628
20.2 Insurance department licenses and fees .....		1,118,237		1,118,237
20.3 Gross guaranty association assessments .....		50,467		50,467
20.4 All other (excluding federal and foreign income and real estate) .....	47,199	26,888		74,087
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....	47,199	6,515,220		6,562,419
21. Real estate expenses .....				
22. Real estate taxes .....				
23. Reimbursements by uninsured plans .....				
24. Aggregate write-ins for miscellaneous expenses .....	1,432,005		3,492	1,435,497
25. Total expenses incurred .....	522,332	1,632	60,109 (a)	584,073
26. Less unpaid expenses - current year .....	198,952	5,092,873		5,291,825
27. Add unpaid expenses - prior year .....	445,297	4,702,129		5,147,426
28. Amounts receivable relating to uninsured plans, prior year .....				
29. Amounts receivable relating to uninsured plans, current year .....				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29) .....	768,677	(389,112)	60,109	439,674
<b>DETAILS OF WRITE-INS</b>				
2401. Miscellaneous IT-related ULAE expenses .....	1,432,005			1,432,005
2402. Miscellaneous expense .....			3,492	3,492
2403. ....				
2498. Summary of remaining write-ins for Line 24 from overflow page .....				
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above) .....	1,432,005		3,492	1,435,497

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

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds .....	(a) ..... 112,837	..... 124,211
1.1 Bonds exempt from U.S. tax .....	(a) ..... 871,516	..... 722,336
1.2 Other bonds (unaffiliated) .....	(a) ..... 1,454,207	..... 1,343,933
1.3 Bonds of affiliates .....	(a) .....	.....
2.1 Preferred stocks (unaffiliated) .....	(b) .....	.....
2.11 Preferred stocks of affiliates .....	(b) .....	.....
2.2 Common stocks (unaffiliated) .....	.....	.....
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) ..... 595	..... 435
7. Derivative instruments .....	(f) .....	.....
8. Other invested assets .....	.....	.....
9. Aggregate write-ins for investment income .....	.....	.....
10. Total gross investment income .....	2,439,156	2,190,915
11. Investment expenses .....	.....	(g) ..... 60,109
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) .....
15. Aggregate write-ins for deductions from investment income .....	.....	..... 27
16. Total deductions (Lines 11 through 15) .....	.....	..... 60,136
17. Net investment income (Line 10 minus Line 16) .....	.....	2,130,779
<b>DETAILS OF WRITE-INS</b>		
0901. ....	.....	.....
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....	.....	.....
1501. Miscellaneous Expenses .....	.....	..... 27
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page .....	.....	.....
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above) .....	.....	..... 27

- (a) Includes \$ ..... 51,555 accrual of discount less \$ ..... 276,853 amortization of premium and less \$ ..... 1,896 paid for accrued interest on purchases.
- (b) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued dividends on purchases.
- (c) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued interest on purchases.
- (d) Includes \$ ..... for company's occupancy of its own buildings; and excludes \$ ..... interest on encumbrances.
- (e) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued interest on purchases.
- (f) Includes \$ ..... accrual of discount less \$ ..... amortization of premium.
- (g) Includes \$ ..... investment expenses and \$ ..... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ ..... interest on surplus notes and \$ ..... interest on capital notes.
- (i) Includes \$ ..... depreciation on real estate and \$ ..... depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds .....	.....	.....	.....	.....	.....
1.1 Bonds exempt from U.S. tax .....	.....	.....	.....	.....	.....
1.2 Other bonds (unaffiliated) .....	..... 3,546	..... (1,152,002)	..... (1,148,456)	..... 599,622	.....
1.3 Bonds of affiliates .....	.....	.....	.....	.....	.....
2.1 Preferred stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.11 Preferred stocks of affiliates .....	.....	.....	.....	.....	.....
2.2 Common stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.21 Common stocks of affiliates .....	.....	.....	.....	.....	.....
3. Mortgage loans .....	.....	.....	.....	.....	.....
4. Real estate .....	.....	.....	.....	.....	.....
5. Contract loans .....	.....	.....	.....	.....	.....
6. Cash, cash equivalents and short-term investments .....	.....	.....	.....	.....	.....
7. Derivative instruments .....	.....	.....	.....	.....	.....
8. Other invested assets .....	.....	.....	.....	.....	.....
9. Aggregate write-ins for capital gains (losses) .....	.....	.....	.....	.....	.....
10. Total capital gains (losses) .....	3,546	(1,152,002)	(1,148,456)	599,622	.....
<b>DETAILS OF WRITE-INS</b>					
0901. ....	.....	.....	.....	.....	.....
0902. ....	.....	.....	.....	.....	.....
0903. ....	.....	.....	.....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page .....	.....	.....	.....	.....	.....
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....	.....	.....	.....	.....	.....

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**EXHIBIT OF NON-ADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....			
2. Stocks (Schedule D):			
2.1 Preferred stocks .....			
2.2 Common stocks .....			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....			
3.2 Other than first liens.....			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....			
4.2 Properties held for the production of income.....			
4.3 Properties held for sale .....			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) .....			
6. Contract loans .....			
7. Derivatives (Schedule DB) .....			
8. Other invested assets (Schedule BA) .....			
9. Receivables for securities .....			
10. Securities lending reinvested collateral assets (Schedule DL) .....			
11. Aggregate write-ins for invested assets .....			
12. Subtotals, cash and invested assets (Lines 1 to 11) .....			
13. Title plants (for Title insurers only) .....			
14. Investment income due and accrued .....		37,500	37,500
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....	3,284,341	3,242,279	(42,062)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .....			
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 .....	1,117,353	990,283	(127,070)
19. Guaranty funds receivable or on deposit .....			
20. Electronic data processing equipment and software .....			
21. Furniture and equipment, including health care delivery assets .....			
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			
23. Receivables from parent, subsidiaries and affiliates .....			
24. Health care and other amounts receivable .....			
25. Aggregate write-ins for other than invested assets .....			
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	4,401,694	4,270,062	(131,632)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
28. Total (Lines 26 and 27) .....	4,401,694	4,270,062	(131,632)
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....			
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501. ....			
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....			
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)			

## NOTES TO FINANCIAL STATEMENTS

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Accounting Practices

The financial statements of Bristol West Insurance Company (“the Company”) are presented on the basis of accounting practices prescribed or permitted by the Insurance Department of the state of Ohio (“DOI”).

The Company recognizes only statutory accounting practices prescribed or permitted by the state of Ohio (the “State”) for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners (“NAIC”) Accounting Practices and Procedures Manual (the “Codification”), version effective January 1, 2001 and subsequently amended (“NAIC SAP”) has been adopted as a component of prescribed or permitted practices by the State. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices. The Company did not utilize any permitted practices during the years presented.

A reconciliation of the Company’s net income and surplus between NAIC SAP and practices prescribed by the State of Ohio for year ended December 31, 2012 and the year ended December 31, 2011 is shown below (in thousands):

		State of Domicile	2012	2011
<b><u>NET INCOME</u></b>				
(1)	Ohio basis (Page 4, Line 20, Columns 1 & 2)	Ohio	\$ (909)	\$ 1,243
(2)	State Prescribed Practices that increase/(decrease) NAIC SAP:	Ohio		
(3)	State Permitted Practices that increase/(decrease) NAIC SAP:	Ohio		
(4)	NAIC SAP (1-2-3=4)	Ohio	\$ (909)	\$ 1,243
<b><u>SURPLUS</u></b>				
(5)	Ohio basis (Page 3, Line 37, Columns 1 & 2)	Ohio	\$ 44,967	\$ 45,157
(6)	State Prescribed Practices that increase/(decrease) NAIC SAP:	Ohio		
(7)	State Permitted Practices that increase/(decrease) NAIC SAP:	Ohio		
(8)	NAIC SAP (5-6-7=8)	Ohio	\$ 44,967	\$ 45,157

#### B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with statutory accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### C. Accounting Policy

Direct, assumed and ceded premiums are earned ratably over the terms of the related policies and reinsurance contracts. Unearned premiums are established to cover the unexpired portion of premiums written. Such reserves are computed using pro-rata methods for direct and ceded business and are based on reports received from ceding companies for reinsurance assumed.

Expenses incurred in connection with acquiring 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.

Net investment income consists of interest earned less investment related expenses. Interest is recognized on an accrual basis. Net realized capital gains (losses) are recognized on a specific identification basis when securities are sold, redeemed or otherwise disposed. Realized capital losses include write-downs for impairments considered to be other than temporary.

In addition, the Company uses the following accounting policies:

1. Short-term investments include all investments whose maturities, at the time of acquisition, are greater than three months and less than one year and are stated at amortized cost, which approximates fair value.
- 2-4. Bonds not backed by other loans are generally carried at amortized cost or the lower of amortized cost or fair value depending on their NAIC designation. Bond premium or discount is amortized using the interest method.

The Company does not hold any common stocks in its portfolio.

The Company does not hold any preferred stocks in its portfolio.

## NOTES TO FINANCIAL STATEMENTS

The Company recognizes other-than-temporary impairment losses on investments when the decline in fair value specific to an issuer's fundamental credit difficulties, or a non-interest related decline, is deemed to be other than temporary. There are a number of assumptions and estimates inherent in evaluating impairments specific to an issuer's fundamental credit difficulties, or non-interest related decline, and determining if they are other than temporary, including: 1) the Company's ability and intent to retain the investment for a period of time sufficient to allow for an anticipated recovery in value; 2) the recoverability of principal and interest; 3) the length of time and extent to which the fair value has been less than amortized cost for bonds or cost for unaffiliated common and preferred stocks; 4) the financial condition, near-term and long-term prospects of the issue or issuer, including relevant industry conditions and trends, and implications of rating agency actions and offering prices; and 5) the specific reasons that a security is in a significant unrealized loss position, including market conditions which could affect access to liquidity. Interest rate related impairments are deemed other than temporary when the Company has the intent to sell an investment, at the reporting date, before recovery of the cost of the investment.

5. The Company does not own any mortgage loans.
6. Mortgage-backed bonds and structured securities are stated at either amortized cost or the lower of amortized cost or market value. Premiums and discounts on mortgage-backed securities and structured securities are amortized using the retrospective method, except for interest-only mortgage-backed securities, which are amortized using the prospective method.  
  
Loan-backed securities with evidence of deterioration of credit quality for which it is probable that the company will be unable to collect all contractually required payments receivable, are written down to the present value of expected cash flows to be received.
7. The Company does not own investments in subsidiaries or controlled companies.
8. The Company does not own investments in joint ventures, partnerships, or limited liability companies.
9. The Company does not own derivatives.
10. The Company utilizes anticipated investment income in the calculation of premium deficiency reserves, in accordance with SSAP No. 53, Property-Casualty Contracts – Premiums.
11. Reserves for unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported ("IBNR"). 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 such estimates and for establishing the resulting reserves are continually reviewed and any adjustments are reflected in the period determined.
12. The Company has not modified its capitalization policy from the prior period.

### 2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

On November 6, 2011, SSAP No. 101, Income Taxes, a replacement of SSAP No.10R and SSAP No. 10, was adopted by the NAIC. SSAP No. 101 contains changes to accounting for current and deferred federal and foreign income taxes, which is effective on January 1, 2012. This guidance provides that the deferred tax asset admissibility would no longer be elective, and the reversal and surplus limitation parameters in the admissibility tests are determined based on risk-based capital levels. 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. The cumulative effect of adopting this pronouncement was not material to the Company's financial statements at January 1, 2012. The cumulative effect of adopting SSAP No. 101, if any, is reported as a cumulative effect of changes in accounting principles on Page 4, Line 31.

In 2011, the revisions to SSAP No. 5R (Liabilities, Contingencies, and Impairments of Assets), SSAP No. 16R (Electronic Data Processing Equipment and Accounting for Software), SSAP No. 35R (Guaranty Fund and Other Assessments), and SSAP No. 91R (Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities) did not have any material impact on the Company's financial statements.

### 3. BUSINESS COMBINATIONS AND GOODWILL

#### A. Statutory Purchase Method

Not applicable.

#### B. Statutory Merger

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

### C. Impairment Loss

Not applicable.

### 4. DISCONTINUED OPERATIONS

Not applicable.

### 5. INVESTMENTS

#### A. Mortgage Loans

Not applicable.

#### B. Debt Restructuring

Not applicable.

#### C. Reverse Mortgages

Not applicable.

#### D. Loan-Backed Securities

- (1) Prepayment assumptions were obtained from an external securities information service and are consistent with the current interest rate and economic environment.
- (2) Not applicable.
- (3) All loan backed other-than-temporary impairment securities were classified as such based on the fact that the present value of cash flows expected to be collected is less than the amortized cost basis of the security. See aggregate totals below (in thousands).

CUSIP	Book/Adj Carry Value Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized Other-Than- Temporary Impairment	Amortized cost After Other-Than- Temporary Impairment	Fair Value
74957VAQ2	\$ 2,972	\$ 2,856	\$ (116)	\$ 2,856	\$ 2,537
<b>Total Impaired in Quarter 2 2010</b>	<b>\$ 2,972</b>	<b>\$ 2,856</b>	<b>\$ (116)</b>	<b>\$ 2,856</b>	<b>\$ 2,537</b>
32052LAC7	2,671	1,519	(1,152)	1,519	2,735
<b>Total Impaired in Quarter 4 2012</b>	<b>\$ 2,671</b>	<b>\$ 1,519</b>	<b>\$ (1,152)</b>	<b>\$ 1,519</b>	<b>\$ 2,735</b>

- (4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains) (in thousands):
  - a. The aggregate amount of unrealized losses:
 

1. Less than 12 months	(\$43)
2. 12 months or Longer	(\$6)
  - b. The aggregate related fair value of securities with unrealized losses:
 

1. Less than 12 months	\$3,154
2. 12 months or Longer	\$2,067
- (5) All loan-backed and structured securities were reviewed to determine if there were any indications of potential other-than-temporary impairment. If any indication of other-than-temporary impairment existed, then a cash flow and credit support analysis were performed. If it was determined that the company was to received less than 100% contractual cash flows, an other-than-temporary impairment was measured and taken in accordance with SSAP 43R.

#### E. Repurchase Agreements

Not Applicable.

## NOTES TO FINANCIAL STATEMENTS

### F. Real Estate

- (1) Not applicable.  
 (2) Not applicable.

### G. Low-Income Housing Tax Credits

None.

## 6. JOINT VENTURES, PARTNERSHIPS, AND LIMITED LIABILITY COMPANIES

- A.** The Company had no investments in joint ventures, partnerships or limited liability companies that exceeded 10% of its admitted assets at December 31, 2012 and 2011.
- B.** The Company did not recognize any impairment write down for its investments in joint ventures, partnerships, and limited liability companies during the years ended December 31, 2012 and 2011.

## 7. INVESTMENT INCOME

- A.** Investment income due and accrued with amounts over 90 days past due are non-admitted.
- B.** The total amount of investment income due and accrued that was excluded from surplus was \$0 and \$37,500 as of December 31, 2012 and 2011, respectively.

## 8. DERIVATIVE INSTRUMENTS

Not applicable.

## 9. INCOME TAXES

- A.** The components of the net deferred tax assets (“DTA”) and deferred tax liabilities (“DTL”) at December 31 are as follows (in thousands).

	12/31/2012			12/31/2011		
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)
(a) Gross Deferred Tax Assets	\$ 2,829	\$ 58	\$ 2,887	\$ 2,421	\$ 268	\$ 2,689
(b) Statutory Valuation Allowance Adjustments	-	-	-	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	2,829	58	2,887	2,421	268	2,689
(d) Deferred Tax Assets Nonadmitted	<u>1,117</u>	<u>-</u>	<u>1,117</u>	<u>990</u>	<u>-</u>	<u>990</u>
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	1,712	58	1,770	1,431	268	1,699
(f) Deferred Tax Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>53</u>	<u>-</u>	<u>53</u>
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	<u>\$ 1,712</u>	<u>\$ 58</u>	<u>\$ 1,770</u>	<u>\$ 1,378</u>	<u>\$ 268</u>	<u>\$ 1,646</u>

	Change		
	(7)	(8)	(9)
	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
(a) Gross Deferred Tax Assets	\$ 408	\$ (210)	\$ 198
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	408	(210)	198
(d) Deferred Tax Assets Nonadmitted	<u>127</u>	<u>-</u>	<u>127</u>
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	281	(210)	71
(f) Deferred Tax Liabilities	<u>(53)</u>	<u>-</u>	<u>(53)</u>
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	<u>\$ 334</u>	<u>\$ (210)</u>	<u>\$ 124</u>

## NOTES TO FINANCIAL STATEMENTS

	12/31/2012			12/31/2011		
	(1)	(2)	(3)	(4)	(5)	(6)
	(Col 1+2)			(Col 4+5)		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission Calculation Components SSAP No. 101						
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 96	\$ 4	\$ 100	\$ 1,376	\$ 26	\$ 1,402
(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. (The Lesser of 2(b)1 and 2(b) 2 Below)	1,615	54	1,669	1	242	243
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	1,615	54	1,669	1	242	243
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	xx,xxx	xx,xxx	6,489	xx,xxx	xx,xxx	1,148
(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	<u>1</u>	<u>-</u>	<u>1</u>	<u>54</u>	<u>-</u>	<u>54</u>
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 1,712</u>	<u>\$ 58</u>	<u>\$ 1,770</u>	<u>\$ 1,431</u>	<u>\$ 268</u>	<u>\$ 1,699</u>
		<b>Change</b>				
	(7)	(8)	(9)			
	(Col 1-4)	(Col 2-5)	(Col 7+8)			
	Ordinary	Capital	Total			
Admission Calculation Components SSAP No. 101						
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ (1,280)	\$ (22)	\$ (1,302)			
(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. (The Lesser of 2(b)1 and 2(b) 2 Below)	1,614	(188)	1,426			
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	1,614	(188)	1,426			
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	xx,xxx	xx,xxx	5,341			
(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	<u>(53)</u>	<u>-</u>	<u>(53)</u>			
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 281</u>	<u>\$ (210)</u>	<u>\$ 71</u>			
		<b>2012</b>	<b>2011</b>			
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount		13078%	13211%			
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above	\$ 44,695	\$ 45,149				



## NOTES TO FINANCIAL STATEMENTS

	(1)	(2)	(3)
	12/31/2012	12/31/2011	(Col 1-2) Change
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 77	\$ 92	\$ (15)
(2) Unearned premium reserve	36	48	(12)
(3) Policyholder reserves	-	-	-
(4) Investments	359	-	359
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	184	213	(29)
(8) Compensation and benefit accrual	262	92	170
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	1,150	1,135	15
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	-	-	-
(13) Other assets - non admitted	-	-	-
(14) Intangible assets - R&D Credit	-	-	-
(15) Accrued expenses	-	-	-
(16) Post retirement accrual	-	-	-
(17) Micellaneous	-	-	-
(18) Partnership basis differences	670	736	(66)
(19) Guarantee Fund Asset (Receivable)	-	-	-
(20) Excess ceding commissions	-	-	-
(21) Guarantee Fund Assessment	-	-	-
(22) Other (including items <5% of total ordinary tax assets)	<u>91</u>	<u>105</u>	<u>(14)</u>
(99) Subtotal	2,829	2,421	408
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	<u>1,117</u>	<u>990</u>	<u>127</u>
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	<u>\$ 1,712</u>	<u>\$ 1,431</u>	<u>\$ 281</u>
(e) Capital:			
(1) Investments	\$ 17	\$ 227	\$ (210)
(2) Investment write downs	41	41	-
(3) Net capital loss carry-forward	-	-	-
(4) Real estate	-	-	-
(5) Other (including items <5% of total capital tax assets)	<u>-</u>	<u>-</u>	<u>-</u>
(99) Subtotal	58	268	(210)
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	<u>-</u>	<u>-</u>	<u>-</u>
(h) Admitted capital deferred tax assets (2e99-2f-2g)	<u>58</u>	<u>268</u>	<u>(210)</u>
(i) Admitted deferred tax assets (2d+2h)	<u>\$ 1,770</u>	<u>\$ 1,699</u>	<u>\$ 71</u>

## NOTES TO FINANCIAL STATEMENTS

	(1)	(2)	(3)
	12/31/2012	12/31/2011	(Col 1-2) Change
3. Deferred tax liabilities:			
(a) Ordinary			
(1) Investments	\$ -	\$ 53	\$ (53)
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Pension liabilities	-	-	-
(6) Intangible assets - R&D Credit	-	-	-
(7) Interest on surplus notes	-	-	-
(8) Lease Loans	-	-	-
(9) BOLI	-	-	-
(10) Guaranty Funds Receivable	-	-	-
(11) Other (including items <5% of total ordinary tax liabilities)	-	-	-
(99) Subtotal	<u>-</u>	<u>53</u>	<u>(53)</u>
(b) Capital:			
(1) Investments	-	-	-
(2) Real estate	-	-	-
(3) Bonds and stocks	-	-	-
(4) Other liabilities	-	-	-
(5) Other (including items <5% of total capital tax liabilities)	-	-	-
(99) Subtotal	<u>-</u>	<u>-</u>	<u>-</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>-</u>	<u>53</u>	<u>(53)</u>
4. Net deferred tax assets/liabilities (2i - 3c)	<u>\$ 1,770</u>	<u>\$ 1,646</u>	<u>\$ 124</u>

5. The change in net deferred income taxes is composed of the following at December 31, 2012 and December 31, 2011 (in thousands):

	(1)	(2)	(3)
	12/31/2012	12/31/2011	(Col 1-2) Change
Adjusted gross deferred tax assets	\$ 2,887	\$ 2,689	\$ 198
Total deferred tax liabilities	<u>-</u>	<u>53</u>	<u>(53)</u>
Net deferred tax asset	2,887	2,636	251
Tax effect of unrealized (gains) losses			<u>(210)</u>
Change in net deferred income tax (change)/benefit			<u>\$ 461</u>

## NOTES TO FINANCIAL STATEMENTS

### D. Reconciliation of Federal income Tax Rate to Actual Effective Rate

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate at 35.0% to income before income taxes. The significant items causing this difference are as follows (in thousands):

	<b>(1)</b>	<b>Effective Tax</b>
	<b>12/31/2012</b>	<b>Rate</b>
Provision computed at statutory rate	\$ (316)	35.00%
Tax-exempt interest	(253)	27.97%
Dividend received deduction	-	0.00%
15% exemption adjustment	38	(4.20%)
Unallowable deductions	77	(8.47%)
LLC Income	-	0.00%
LLC change in deferred taxes	-	0.00%
Prior year under/(over) accrual of income taxes	-	(0.02%)
Change in nonadmitted assets	(2)	0.18%
Other	-	(0.04%)
	-	
Total	(456)	50.42%
Federal taxes incurred	5	(0.54%)
Tax on capital gains/(losses)	-	(0.02%)
Less: Change in net deferred income tax	(461)	50.97%
Total statutory income taxes	\$ (456)	50.42%

E. (1) When available, the Company utilizes net operating loss carry forwards to offset taxable income under the terms of the tax sharing agreement. As of December 31, 2012, the Company did not have any operating loss carry forwards. Certain net operating loss carry forwards, as well as tax goodwill amortization, are subject to an annual limitation under Internal Revenue Code section 382.

(2) The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses as of December 31, 2012 and December 31, 2011 (in thousands):

	<b><u>Amount</u></b>
Current year	\$ 91
First preceding year	\$ 5

(3) Deposits admitted under Internal Revenue Service Code Section 6603 (in thousands): None.

## NOTES TO FINANCIAL STATEMENTS

- F. (1) The Company's federal income tax return is consolidated with the following entities, with Farmers Insurance Exchange as the parent company:

Farmers Insurance Exchange	Hawaii Insurance Consultants Ltd.
American Pacific Insurance Company, Inc.	i21 Insurance Services
Apex Adjustment Bureau, Inc.	Illinois Farmers Insurance Company
Bayview Adjustment Bureau, Inc.	Insurance Data Systems, G.P.
Bristol West Casualty Insurance Company	Mid-Century Insurance Company
Bristol West Holdings, Inc.	Mid-Century Insurance Company of Texas
Bristol West Insurance Company	Security National Insurance Company
Bristol West Insurance Services of California, Inc.	Texas Farmers Insurance Company
Bristol West Insurance Services of Georgia, Inc.	Western Star Insurance Services, Inc.
Bristol West Insurance Services of Pennsylvania, Inc.	20th Century Insurance Services, Inc.
Bristol West Insurance Services of Texas, Inc.	21st Century Advantage Insurance Company
Bristol West Insurance Services, Inc. of Florida	21st Century Assurance Company
Bristol West Preferred Insurance Company	21st Century Auto Insurance Company of New Jersey
BWIS of Nevada, Inc.	21st Century Casualty Company
Coast National General Agency, Inc.	21st Century Centennial Insurance Company
Coast National Holding Company	21st Century Indemnity Insurance Company
Coast National Insurance Company	21st Century Insurance & Financial Services
Farmers Insurance Company of Idaho	21st Century Insurance Company
Farmers Insurance Company of Oregon	21st Century Insurance Company of the Southwest
Farmers Insurance Company, Inc.	21st Century Insurance Group
Farmers Insurance Hawaii, Inc.	21st Century National Insurance Company
Farmers Insurance of Columbus, Inc.	21st Century North America Insurance Company
Farmers New Century Insurance Company	21st Century Pacific Insurance Company
Farmers Specialty Insurance Company	21st Century Pinnacle Insurance Company
FCOA, LLC	21st Century Preferred Insurance Company
Kraft Lake Insurance Agency Inc.	21st Century Premier Insurance Company
Foremost Express Insurance Agency, Inc.	21st Century Security Insurance Company
Foremost Financial Services Corporation	21st Century Superior Insurance Company
Foremost Insurance Company Grand Rapids, Michigan	50th State Risk Management Services, Inc.
Foremost Lloyds of Texas	
Foremost Property and Casualty Insurance Company	
Foremost Signature Insurance Company	
GP, LLC	

- (2) Farmers Insurance Exchange ("FIE") and its eligible affiliates have executed a tax-sharing agreement whereby FIE receives from its affiliates the tax they would pay if they had filed separate returns and pays to the affiliates amounts for the tax benefits realized by the consolidated group through utilization of their net losses. Any expense or benefit so derived is recognized in the respective affiliate's current tax provision. Intercompany tax balances are settled monthly based on estimates with the final settlement made annually within 30 days after the return has been filed.

- G. The Company does not have tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

### 10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AND AFFILIATES

- A.B.C.** There were no transactions involving the Company's parent, subsidiaries, affiliates, and other related parties, other than reinsurance transactions, non-insurance transactions that were less than 1/2 of 1 percent of the total admitted assets, and cost allocation transactions.
- D.** At December 31, 2012 and 2011, the Company reported \$516,407 and \$4,480,336, respectively, as amounts payable to affiliates. The terms of settlement require that these amounts be settled within 45 days.
- E.** There are no guarantees or undertakings, written or otherwise, for the benefit of an affiliate.
- F.** On July 3, 2007, the Company entered into a quota share reinsurance agreement with FIE, effective January 1, 2007. Under this agreement, the Company agreed to cede 90% of its net business, as well as 90% of its net unearned premium reserves as of January 1, 2007.

Effective January 1, 2010, the Company entered into a Termination Addendum to its 90% quota share reinsurance agreement with FIE, whereby this agreement was terminated on a cut-off basis.

Effective January 1, 2010, the Company entered into a quota share reinsurance agreement with FIE. Under this agreement, the Company agreed to cede 100% of its net business, as well as 100% of its net unearned premium reserves as of January 1, 2010.

## NOTES TO FINANCIAL STATEMENTS

Effective March 1, 2010, the Company entered into a service agreement with FIE, whereby FIE provides various services to the Company as necessary for the Company to discharge its obligations to its policyholders, shareholders, and regulators. This agreement broadly encompasses, claims adjustment services, investment management services, preparation of insurance policies, billing and collections, and other administrative services.

- G.** The Company's common stock is owned by Coast National Insurance Company ("CNIC"). CNIC is owned by Coast National Holding Company, which is 100% owned by Bristol West Holdings, Inc. ("BRW"). BRW is owned by FIE (42%), Fire Insurance Exchange (3.75%), Truck Insurance Exchange (6.75%), and Mid-Century Insurance Company (47.50%).

The Company is a member of the Farmers Property and Casualty Companies (the "Farmers P&C Companies"), which is comprised of Farmers Insurance Exchange, Fire Insurance Exchange, Truck Insurance Exchange, Mid-Century Insurance Company, Farmers New Century Insurance Company, Mid-Century Insurance Company of Texas, Texas Farmers Insurance Company, Illinois Farmers Insurance Company, Farmers Insurance Company, Inc., Farmers Insurance Company of Arizona, Farmers Insurance Company of Idaho, Farmers Insurance Company of Oregon, Farmers Insurance Company of Washington, Farmers Insurance of Columbus, Inc., Civic Property and Casualty Company, Exact Property and Casualty Company, Neighborhood Spirit Property and Casualty Company, Farmers Texas County Mutual Insurance Company, Farmers Reinsurance Company, Foremost Insurance Company Grand Rapids, Michigan, Foremost Property and Casualty Insurance Company, American Federation Insurance Company, Foremost Signature Insurance Company, Foremost County Mutual Insurance Company, Foremost Lloyds of Texas, Bristol West Casualty Insurance Company, Bristol West Insurance Company, Bristol West Preferred Insurance Company, Coast National Insurance Company, and Security National Insurance Company. Others are: 21<sup>st</sup> Century North America Insurance Company, 21<sup>st</sup> Century Centennial Insurance Company, 21<sup>st</sup> Century Premier Insurance Company, 21<sup>st</sup> Century Security Insurance Company, Farmers Insurance Hawaii, Inc., 21<sup>st</sup> Century Superior Insurance Company, 21<sup>st</sup> Century Advantage Insurance Company, 21<sup>st</sup> Century Preferred Insurance Company, 21<sup>st</sup> Century Pinnacle Insurance Company, 21<sup>st</sup> Century Indemnity Insurance Company, 21<sup>st</sup> Century National Insurance Company, 21<sup>st</sup> Century Auto Insurance Company of New Jersey, American Pacific Insurance Company, 21<sup>st</sup> Century Pacific Insurance Company, 21<sup>st</sup> Century Assurance Company, 21<sup>st</sup> Century Insurance Company, 21<sup>st</sup> Century Casualty Company, and 21<sup>st</sup> Century Insurance Company of the Southwest. For more details on ownership, see Schedule Y.

- H.** The Company does not own shares of an upstream intermediate or ultimate parent, which are applicable under Section 4(B)(b)(x) of the NAIC Valuation of Securities manual.
- I.** The Company does not have investments in Subsidiary, Controlled or Affiliated companies ("SCA") that exceed 10% of its admitted assets as of December 31, 2012 and 2011.
- J.** The Company did not recognize any impairment write down for investments in SCAs during the years ended December 31, 2012 and 2011.
- K.** The Company does not have any investments in foreign insurance subsidiaries.
- L.** The Company does not hold any investments in a downstream noninsurance holding company.

### 11. DEBT

Not applicable.

### 12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

#### A. Defined Benefit Plans

Not applicable.

#### B. Defined Contribution Plans

Not applicable.

#### C. Multi-employer Plans

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

### D. Consolidated/Holding Company Plans

#### Pension Plan

Not applicable.

#### Short Term Incentive Program

Not applicable.

#### 401(k) Savings Plan

Not applicable.

### E. Post-employment Benefits and Compensated Absences

#### Postretirement Benefits

Not applicable.

#### Compensated Absences

Not applicable.

### F. Impact of Medicare Modernization Act on Postretirement Benefits

Not applicable.

## 13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

1. The Company has 600,000 shares of \$5 par value common stock authorized, issued, and outstanding.
2. The Company has no preferred stock outstanding.
3. The State of Ohio permits dividends to be paid from "earned surplus", which is defined under Ohio law as the insurer's unassigned funds set forth in its most recent statutory annual statement submitted to the superintendent, including net unrealized capital gains and losses or revaluation of assets. Such dividends in any twelve-month period may not exceed the greater of ten percent of the insurer's surplus as of the preceding December 31 or the insurer's net income for the year ended on the preceding December 31 unless approved by the Department of Insurance. At December 31, 2012, the Company had the ability to pay approximately \$4,497,000 to Coast National Insurance Company without prior approval.
4. No dividends have been declared or paid by the Company during 2012 or 2011.
5. Within the limitations of (3) above, there are no restrictions placed on the portion of the Company's profits that may be paid as ordinary dividends to stockholders.
6. There are no restrictions on unassigned funds.
7. The Company is not organized as or similar to a mutual company.
8. The Company does not hold any stock for special purposes.
9. The Company does not have any special surplus funds balances.
10. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and (losses) were \$(31,835) and \$(421,589) at December 31, 2012 and 2011, respectively.
11. The Company does not have any surplus notes.
- 12-13. The Company has not undergone any quasi-reorganizations.

## 14. CONTINGENCIES

### A. Contingent Commitments

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

### B. Assessments

The Company receives periodic assessments from certain states to reimburse policyholders and claimants of insolvent insurers. Depending on guidelines established by each state, these assessments are expensed, recouped from policyholders, or utilized as credits against premium taxes. Premium tax credits are realized between 3 and 10 years depending on the guidelines of each state.

### C. Gain Contingencies

None.

### D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Law Suits

The Company paid the following amounts during 2012 to settle claims related to extra contractual obligations or bad faith claims stemming from lawsuits:

	<u>Direct</u>
Claims related ECO and bad faith losses	\$323,781

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during 2012:

(a)	(b)	(c)	(d)	(e)
0 - 25 Claims	26-50 Claims	51 - 100 Claims	101 - 500 Claims	> 500 Claims
X				

Indicate whether claim count information is disclosed per claim or per claimant:

Per Claim [ X ]                      Per Claimant [   ]

### E. Product Warranties

None.

### F. All Other Contingencies

#### Litigation

Certain of the Farmers P&C Companies are defendants in certain lawsuits arising in the normal course of business, which are in various stages of development. Some of these matters seek punitive as well as compensatory damages. While it is not possible to predict the outcome of these matters with certainty, management believes that their ultimate disposition will not have a material effect on the Company's financial position or results of operations. In addition, certain of the Farmers P&C Companies are, from time to time, involved as parties in various governmental and administrative proceedings.

## 15. LEASES

### A. Lessee Operating Leases

Not applicable.

### B. Lessor Leases

Not applicable.

## 16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

Not applicable.

## 17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

### A. Transfers of Receivables Reported as Sales

Not applicable.

### B. Transfer and Servicing of Financial Assets

Not Applicable

## NOTES TO FINANCIAL STATEMENTS

### C. Wash Sales

The Company had no wash sale transactions in the periods presented that require disclosure.

### 18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

#### A. ASO Plans

Not applicable.

#### B. ASC Plans

Not applicable.

#### C. Medicare or Similarly Structured Cost Based Reimbursement Contract

Not applicable.

### 19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

One hundred percent of the Company's 2012 direct premium, \$243,380,581, is produced through an affiliated General Agent as follows:

Bristol West Insurance Services, Inc., of Florida  
Federal ID Number 65-0616769  
5701 Stirling Road  
Davie, Florida 33314

Bristol West Insurance Services, Inc., of Florida ("Bristol") holds an exclusive contract, and underwrites Private Passenger Auto Liability and Auto Physical Damage. Bristol has binding authority and collects premiums on behalf of the Company. The Company does not have any Managing General Agents as defined by Appendix A-222 of the NAIC Accounting Practices and Procedures Manual.

### 20. FAIR VALUE MEASUREMENTS

#### A. Inputs Used For Assets Measured At Fair Value

##### (1) Fair Value Measurements by Levels 1, 2 and 3

The Company has categorized its assets that are measured at fair value into the three-level fair value hierarchy as reflected in the table below (in thousands).

Level 1 - Liquid investments traded in active markets and valued based on unadjusted quoted prices. Assets in this category are preferred and common stock securities.

Level 2 - Bonds, preferred stocks, common stocks and call options which are not exchange traded. These securities are valued based upon models with observable inputs (for example, market interest rates, credit spreads, etc.). They may have been determined by independent pricing services using observable inputs.

Level 3 - Investments valued based upon models with "significant" non-observable inputs (assumptions). Such assumptions can be about loss severities, prepayment speed, interest rate volatilities, earnings forecast, comparable sales, etc.

(1) Description for each class of asset or liability	(2) Level 1	(3) Level 2	(4) Level 3	(5) Total
a. Assets at Fair Value				
Bonds				
Industrial and Misc	\$ -	\$ -	\$ 5,221	\$ 5,221
Total Bonds	-	-	5,221	5,221
<hr/>				
Total Assets at Fair Value	\$ -	\$ -	\$ 5,221	\$ 5,221

## NOTES TO FINANCIAL STATEMENTS

### (2) Rollforward of Level 3 (in thousands)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(12)
Description	Balance at 01/01/12	Transfers into Level 3	Transfers out of Level 3	Total Gains / (Losses) included in Net Income	Total Gains / (Losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Balance at 12/31/12
Residential mortgage backed securities	\$ 4,779	\$ -	\$ -	\$ 4	\$ 285	\$ -	\$ -	\$ (466)	619	\$ 5,221
Total	\$ 4,779	\$ -	\$ -	\$ 4	\$ 285	\$ -	\$ -	\$ (466)	\$ 619	\$ 5,221

### (3) Policy on Transfers In and Out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an investment to be transferred in or out of Level 3.

### (4) Inputs and Techniques Used for Level 2 and Level 3 Fair Values

Bonds carried at fair value categorized as Level 2 were valued using a market approach. These valuations were determined to be Level 2 valuations as quoted markets prices for similar instruments in an active market were utilized. This was accomplished by the use of matrix pricing. Matrix pricing takes quoted prices of bonds with similar features that are inputs into the analysis included duration, credit quality, tax status and call and sinking fund features.

Bonds carried at fair value categorized as Level 3 were valued using unobservable inputs. These unobservable inputs reflect our own assumptions about the criteria that market participants would use in pricing these assets (including assumptions about risk). These assumptions were based on the best information available in the circumstances.

### (5) Derivative fair values

None.

## B. Other Fair Value Disclosures

None.

## C. Fair Values for All Financial Instruments by Levels 1, 2 and 3

The table below reflects the fair values and admitted values of all financial instruments excluding those accounted for under the equity method (subsidiaries, joint ventures and ventures) as of December 31, 2012 (in thousands). The fair values are categorized into the three-level fair value hierarchy as described above in Note 20A.

Type of Financial Instrument	(1) Fair Value	(2) Admitted Assets	(3) Level 1	(4) Level 2	(5) Level 3	(6) Not Practicable (Carrying Value)
Bonds	\$ 60,445	\$ 57,206	\$ 39,748	\$ 8,772	\$ 11,925	\$ -
Cash, Cash Equivalents and Short-Term	10,491	10,491	10,491	-	-	-
Total Assets	\$ 70,935	\$ 67,697	\$ 50,239	\$ 8,772	\$ 11,925	\$ -

## D. Financial Instruments not Practical to Estimate Fair Values

None.

## 21. OTHER ITEMS

### A. Extraordinary Items

Not applicable.

### B. Troubled Debt Restructuring: Debtors

Not applicable.

### C. Other Disclosures

#### Securities on Deposit

Investments with a carrying value of \$8,820,665 and \$8,850,881 at December 31, 2012 and 2011, respectively, were on deposit with regulatory authorities as required by law.

## NOTES TO FINANCIAL STATEMENTS

### D. Uncollected Premium Balances and Amounts Due from Agents and Brokers

At December 31, 2012 and 2011, the Company had admitted uncollected premium balances of \$52,919,132 and \$58,308,973, respectively. The Company routinely assesses the collectability of these receivables.

#### Agents Balances Certification (Florida)

The amount of uncollected premiums in course of collection at December 31, 2012 was \$2,262,282. The Company also had no premiums due from a "Controlled" or "Controlling Person" as defined in Section 625.012 (5) (b), Florida Statutes at December 31, 2012.

### E. Business Interruption Insurance Recoveries

Not applicable.

### F. State Transferable Tax Credits

Not applicable.

### G. Subprime Mortgage Related Risk Exposure

- (1) Generally, direct and indirect subprime exposures were identified based upon consideration of the following types of features: 1) an interest rate above prime to borrowers who did not qualify for prime rate loans; 2) borrowers with low credit ratings (FICO scores); 3) interest-only or negative amortizing loans; 4) unconventionally high initial loan-to-value ratios; 5) unusually low initial payments based on a fixed introductory rate that expires after a short initial period and then adjusts to an unusually high rate based upon a variable index rate plus a margin for the remaining term of the loan; 6) borrowers with less than conventional documentation of their income and/or net assets; 7) very high or no limits on how much the payment amount or the interest rate may increase at reset periods, potentially causing a substantial increase in the monthly payment amount; and/or 8) include substantial prepayment penalties and/or prepayment penalties that extend beyond the initial interest rate adjustment period.
- (2) The Company does not have direct exposure through investments in subprime mortgage loans.
- (3) The Company does not have direct exposure through investments in subprime mortgage loans or through other investments as of December 31, 2012 and 2011.
- (4) The Company does not have underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage.

## 22. EVENTS SUBSEQUENT

Subsequent events have been considered through February 22, 2013 for these statutory financial statements, which were issued on February 22, 2013. There were no events subsequent to the end of the year that merited recognition or disclosure in these statements.

## 23. REINSURANCE

### A. Unsecured Reinsurance Recoverables

The Company had aggregate recoverables for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium with the following reinsurers, authorized and unauthorized, that exceeded 3% of the Company's policyholders' surplus at December 31, 2012:

Farmers Insurance Exchange  
\$206,084,423  
NAIC Group Code: 0212  
Federal ID Number: 95-2575893

### B. Reinsurance Recoverable in Dispute

None.

### C. Reinsurance Assumed and Ceded

On July 3, 2007, the Company entered into a quota share reinsurance agreement with FIE, effective January 1, 2007. Under this agreement, the Company agreed to cede 90% of its net business, as well as 90% of its net unearned premium reserves as of January 1, 2007.

Effective January 1, 2010, the Company entered into a Termination Addendum to its 90% quota share reinsurance agreement with FIE, whereby this agreement was terminated on a cut-off basis.

## NOTES TO FINANCIAL STATEMENTS

Effective December 31, 2010, the Company entered into a quota share reinsurance agreement with FIE. Under this agreement, the Company agreed to cede 100% of its net business, as well as 100% of its net unearned premium reserves as of December 31, 2010.

- The maximum amount of return commission which would have been due reinsurers with the return of the unearned premiums if all of the Company's reinsurance had been cancelled as of year-end is as follows (in thousands):

	<u>Assumed Reinsurance</u>		<u>Ceded Reinsurance</u>		<u>Net</u>	
	(1) Premium <u>Reserve</u>	(2) Commission <u>Equity</u>	(3) Premium <u>Reserve</u>	(4) Commission <u>Equity</u>	(5) Premium <u>Reserve</u>	(6) Commission <u>Equity</u>
a. Affiliates	-	-	\$ 65,841	\$ 11,322	\$ (65,841)	\$ (11,322)
b. All Other	-	-	301	-	(301)	-
c. TOTAL	-	-	\$ 66,142	\$ 11,322	\$ (66,142)	\$ (11,322)
d. Direct Unearned Premium Reserves			\$ 66,142			

- The Company has no return commission predicated on loss experience as a result of existing contractual reinsurance agreements.
- The Company does not have protected cells.

### D. Uncollectible Reinsurance

None.

### E. Commutation of Ceded Reinsurance

None.

### F. Retroactive Reinsurance

None.

### G. Reinsurance Accounted for as a Deposit

None.

### H. Run-Off Agreements

None.

### I. Certified Reinsurance Downgraded or Status Subject to Revocation

None.

## 24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

Not applicable.

## 25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

Loss reserve estimates are based on forecasts of the ultimate settlement of claims and are subject to uncertainty with respect to future events. Loss reserve amounts are based on management's informed estimates and judgments, using data currently available. Reserve amounts and the underlying actuarial factors and assumptions are regularly analyzed and adjusted to reflect new information. Such reevaluation is a normal, recurring activity that is inherent in the process of loss reserve estimation and therefore, no assurances can be given that reserve development will not occur in the future.

The provision for losses and loss adjustment expenses attributable to insured events of prior years increased by \$1,174,000 in 2012, as a result of ongoing analysis of recent loss development trends.

## 26. INTERCOMPANY POOLING ARRANGEMENTS

Not applicable.

## NOTES TO FINANCIAL STATEMENTS

**27. STRUCTURED SETTLEMENTS**

Not applicable.

**28. HEALTH CARE RECEIVABLES**

Not applicable.

**29. PARTICIPATING POLICIES**

Not applicable.

**30. PREMIUM DEFICIENCY RESERVES**

The Company utilizes anticipated investment income in the calculation of premium deficiency reserves, in accordance with SSAP No. 53, Property-Casualty Contracts – Premiums. The Company evaluated the need to record a premium deficiency reserve as of the end of the current year and determined that no premium deficiency reserve was needed. This evaluation was completed on February 22, 2013. As of December 31, 2012 and 2011, the Company had not established any premium deficiency reserves based on this calculation.

	2012	2011
1. Liability carried for premium deficiency reserves	\$ -	\$ -
2. Date of the most recent evaluation of this liability	02/22/2013	
3. Was anticipated investment income utilized in the calculation?	Yes.	

**31. HIGH DEDUCTIBLES**

Not applicable.

**32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES**

Not applicable.

**33. ASBESTOS/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? ..... Ohio
- 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. .... 12/31/2009
- 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. .... 12/31/2009
- 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). .... 03/14/2011
- 3.4 By what department or departments?  
Ohio Department of Insurance .....
- 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 [ ] No [ ] N/A [ X ]
- 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 [ X ] No [ ]  
4.12 renewals? ..... Yes [ X ] No [ ]
- 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 [ X ] No [ ]  
4.22 renewals? ..... Yes [ X ] No [ ]
- 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<br>Name of Entity | 2<br>NAIC Company Code | 3<br>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(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**GENERAL INTERROGATORIES**

- 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 [ X ] No [ ]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal 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
BFP Securities .....	St. Louis, Missouri .....				YES
Farmers Financial Solutions, LLC. ....	Agoura Hills, California .....				YES

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
PriceWaterhouseCoopers, LLP  
350 S. Grand Avenue  
Los Angeles, CA 90071
- 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 response 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?  
James Nutting  
4700 Wilshire Blvd.  
Los Angeles, CA 90010  
Mr. Nutting is an employee of Farmers Group Inc., an affiliate of Bristol West Insurance Company. ....
- 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).  
.....

## GENERAL INTERROGATORIES

- 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

### 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 with the official duties of such person? ..... Yes [ X ] No [ ]

### 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.....               | \$ |  |
| 20.12 To stockholders not officers.....                 | \$ |  |
| 20.13 Trustees, supreme or grand (Fraternal Only) ..... | \$ |  |
- 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.....               | \$ |  |
| 20.22 To stockholders not officers.....                 | \$ |  |
| 20.23 Trustees, supreme or grand (Fraternal Only) ..... | \$ |  |
- 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 [ ] No [ X ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$

### 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  
.....
- 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) The entity does not participate in security lending programs. ....
- 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 ]

**ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company**  
**GENERAL INTERROGATORIES**

24.10 For the reporting entity's security lending program state the amount of the following as 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 .....\$ .....  
 25.22 Subject to reverse repurchase agreements .....\$ .....  
 25.23 Subject to dollar repurchase agreements .....\$ .....  
 25.24 Subject to reverse dollar repurchase agreements .....\$ .....  
 25.25 Pledged as collateral .....\$ .....  
 25.26 Placed under option agreements .....\$ .....  
 25.27 Letter stock or other securities restricted as to sale .....\$ .....  
 25.28 On deposit with state or other regulatory body .....\$ .....8,820,665  
 25.29 Other .....\$ .....

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
J.P. Morgan Chase Bank, N.A. ....	4 New York Plaza North American Ins., 15th Floor New York, NY 10004 .....

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 brokers/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
104518 .....	Deutsche Asset Management .....	DeAm, Insurance Advisory Services 345 Park Ave. New York, NY 10017 .....

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**GENERAL INTERROGATORIES**

- 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/Adjusted Carrying Value
29.2999 - Total		

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the 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 .....	67,513,922	70,752,695	3,238,773
30.2 Preferred stocks .....			
30.3 Totals	67,513,922	70,752,695	3,238,773

- 30.4 Describe the sources or methods utilized in determining the fair values:

In determining fair value, for the majority of securities, quotes were obtained from third party sources. If quotes from these sources were not available, a broker estimate was utilized. Any few instances where a broker estimate was not available, the market value was analytically determined. ....

- 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 [ ] No [ X ]

- 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 [ ]

- 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:  
.....

- 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:  
.....

## GENERAL INTERROGATORIES

### OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? .....\$ .....96,764

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 Independent Statistical Service .....	30,905
Insurance Service Office .....	30,646

34.1 Amount of payments for legal expenses, if any? .....\$ .....

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
.....	.....

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? .....\$ .....

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. .... \$ \_\_\_\_\_ 0

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	2
	Current Year	Prior Year
2.1 Premium Numerator .....		
2.2 Premium Denominator .....		
2.3 Premium Ratio (2.1/2.2) .....	0.000	0.000
2.4 Reserve Numerator .....		
2.5 Reserve Denominator .....	2,796,345	3,838,813
2.6 Reserve Ratio (2.4/2.5) .....	0.000	0.000

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  
 .....

# GENERAL INTERROGATORIES

## PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 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?  
The reporting entity does not write any workers' compensation insurance. ....
- 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.  
The reporting entity has no concentration of risk. ....
- 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?  
The reporting entity has various occurrence catastrophic reinsurance contracts. ....
- 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 uninsured catastrophic loss.  
.....
- 7.1 Has this 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 ratio 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 [ ]
- 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 common 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 32 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 reinsurances 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 ]

**GENERAL INTERROGATORIES**

**PART 2 - PROPERTY AND CASUALTY INTERROGATORIES**

- 11.1 Has the reporting entity guaranteed policies issued by any other 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 asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
- 12.11 Unpaid losses .....\$ .....
- 12.12 Unpaid underwriting expenses (including loss adjustment expenses) .....\$ .....
- 12.2 Of the amount on Line 15.3, Page 2, state the amount which is secured by letters of credit, collateral, and other funds .....\$ .....
- 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 [ ] N/A [ X ]
- 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 [ ]
- 12.6 If yes, state the amount thereof at December 31 of the 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): .....\$ .....
- 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. ....1
- 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:  
.....

# GENERAL INTERROGATORIES

## PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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 ]

Incurred 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 - P art 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 accounts? ..... 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 funds administered as of the reporting date. .... \$ .....

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**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
<b>Gross Premiums Written (Page 8, Part 1B Cols. 1, 2 &amp; 3)</b>					
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)	168,419,004	177,791,710	195,810,192	191,525,851	150,314,707
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	74,961,577	81,452,341	91,479,802	94,369,091	78,557,785
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)	243,380,581	259,244,051	287,289,994	285,894,942	228,872,492
<b>Net Premiums Written (Page 8, Part 1B, Col. 6)</b>					
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)			(5,549,807)	19,031,009	14,864,284
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)			(2,888,597)	9,407,672	7,854,982
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)			(8,438,404)	28,438,681	22,719,266
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain (loss) (Line 8)	(1,667,958)	(1,496,583)	5,157,281	153,938	764,181
14. Net investment gain or (loss) (Line 11)	982,167	2,687,696	3,023,890	3,517,517	3,984,268
15. Total other income (Line 15)	(218,113)	8,261	39,266	969,696	864,369
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)	4,845	(43,185)	1,776,758	1,100,363	(429,142)
18. Net income (Line 20)	(908,749)	1,242,559	6,443,680	3,540,788	6,041,960
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	139,844,368	153,117,541	209,186,034	206,570,751	179,884,613
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	2,262,282	1,906,091	1,967,041	5,101,455	3,528,795
20.2 Deferred and not yet due (Line 15.2)	50,656,850	56,402,882	59,213,380	65,265,155	60,165,409
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	94,877,571	107,960,799	165,945,578	165,717,062	144,172,485
22. Losses (Page 3, Line 1)	2,597,393	3,393,516	6,202,043	20,232,416	23,312,529
23. Loss adjustment expenses (Page 3, Line 3)	198,952	445,297	813,054	2,425,036	4,484,074
24. Unearned premiums (Page 3, Line 9)				8,438,404	7,495,738
25. Capital paid up (Page 3, Lines 30 & 31)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
26. Surplus as regards policyholders (Page 3, Line 37)	44,966,797	45,156,742	43,240,456	40,853,689	35,712,128
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11)	(358,566)	(15,925,955)	(6,324,627)	2,922,548	(1,643,237)
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital	44,966,797	45,156,742	43,240,456	40,853,689	35,712,128
29. Authorized control level risk-based capital	685,670	341,760	787,610	1,613,766	2,187,930
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0</b>					
30. Bonds (Line 1)	84.5	91.2	73.1	71.9	87.7
31. Stocks (Lines 2.1 & 2.2)					
32. Mortgage loans on real estate (Lines 3.1 and 3.2)					
33. Real estate (Lines 4.1, 4.2 & 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	15.5	8.8	26.9	28.1	12.3
35. Contract loans (Line 6)					
36. Derivatives (Line 7)				XXX	XXX
37. Other invested assets (Line 8)					
38. Receivables 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
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds (Schedule D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)					
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above Lines 42 to 47					
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)					

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**FIVE-YEAR HISTORICAL DATA**

(Continued)

	1 2012	2 2011	3 2010	4 2009	5 2008
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24)	389,754	(51,207)	(370,382)		
52. Dividends to stockholders (Line 35)					
53. Change in surplus as regards policyholders for the year (Line 38)	(189,945)	1,916,286	2,386,767	5,141,561	2,686,552
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 2)</b>					
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)	121,535,983	127,155,157	126,559,045	107,818,836	83,620,721
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	49,537,080	54,382,118	55,330,319	56,008,575	41,936,754
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)	171,073,063	181,537,275	181,889,364	163,827,411	125,557,475
<b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>					
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)	1,981,913	4,200,104	10,256,859	18,313,691	25,060,120
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	(41,796)	(101,848)	466,999	5,475,199	3,910,849
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)	1,940,117	4,098,256	10,723,858	23,788,890	28,970,969
<b>Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0</b>					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	(2,859,985,000.0)	515,891,600.0		75.3	75.0
68. Loss expenses incurred (Line 3)	(1,305,830,000.0)	79,010,000.0		8.4	8.2
69. Other underwriting expenses incurred (Line 4)	(4,080,000.0)	3,731,600.0		15.7	13.2
70. Net underwriting gain (loss) (Line 8)	4,169,895,100.0	(598,633,100.0)		0.6	3.6
<b>Other Percentages</b>					
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)	(549,362,500.0)	427,200.0		11.8	8.6
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	(4,165,815,000.0)	594,901,600.0		83.7	83.2
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)	0.0	0.0		69.6	63.6
<b>One Year Loss Development (000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P - Part 2 - Summary, Line 12, Col. 11)	1,174	1,500	(3,459)	3,416	2,681
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 100.0)	2.6	3.5	(8.5)	9.6	8.1
<b>Two Year Loss Development (000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	2,674	(1,959)	(734)	5,618	13,611
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)	6.2	(4.8)	(2.1)	17.0	37.1

NOTE: 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 [ ]  
 If no, please explain: .....

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company  
**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						10 Salvage and Subrogation Received	11 Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported Direct and Assumed
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments				
				4	5	6	7	8	9			
1. Prior.....	XXX	XXX	XXX	581	567	7	1	65		13	85	XXX
2. 2003.....	248,132	154,184	93,948	140,732	86,978	7,760	3,795	21,499	13,043	2,024	66,174	XXX
3. 2004.....	231,295	192,593	38,702	134,424	111,381	7,148	5,521	19,283	16,189	1,287	27,764	XXX
4. 2005.....	212,658	152,036	60,622	136,704	98,337	6,169	4,729	17,799	12,655	2,185	44,951	XXX
5. 2006.....	208,425	161,877	46,548	117,752	89,482	5,538	6,772	17,022	13,205	1,972	30,852	XXX
6. 2007.....	187,168	169,010	18,158	117,686	106,303	5,536	4,980	15,747	14,186	614	13,501	XXX
7. 2008.....	215,499	194,225	21,274	134,418	120,971	5,156	4,639	17,810	16,066	765	15,709	XXX
8. 2009.....	276,744	249,248	27,496	177,276	159,605	4,597	4,137	25,679	23,504	1,053	20,306	XXX
9. 2010.....	294,977	294,977		168,236	168,236	4,322	4,322	32,062	32,062			XXX
10. 2011.....	262,813	262,813		142,212	142,212	2,251	2,251	29,233	29,233			XXX
11. 2012.....	251,107	251,107		100,944	100,944	629	629	24,304	24,304			XXX
12. Totals	XXX	XXX	XXX	1,370,967	1,185,016	49,112	41,776	220,503	194,447	9,914	219,342	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					22
	13	14	15	16	17	18	19	20	Direct and Assumed	Ceded				
1. Prior.....	298	283	0	20	1	0						34	XXX	
2. 2003.....	229	26	75	75	7	13		3		0		226	XXX	
3. 2004.....	1,259	1,057	232	155	14	(12)		5		7		285	XXX	
4. 2005.....	1,956	1,549	458	187	13	0		7		35		698	XXX	
5. 2006.....	1,211	854	623	225	9	23		6		50		793	XXX	
6. 2007.....	3,304	3,256	659	625	43	38	25	23	10	9	1	90	XXX	
7. 2008.....	837	764	659	605	167	150	(7)	(6)	19	17	1	145	XXX	
8. 2009.....	3,210	2,895	1,632	1,489	238	214	357	321	79	71	2	526	XXX	
9. 2010.....	9,936	9,936	5,039	5,039			1,690	1,690	245	245			XXX	
10. 2011.....	16,603	16,603	10,353	10,353			2,757	2,757	572	572			XXX	
11. 2012.....	32,393	32,393	33,692	33,692			3,843	3,843	3,638	3,638			XXX	
12. Totals	71,235	69,615	53,421	52,444	510	404	8,689	8,628	4,583	4,552	96	2,796	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	27	28	29	30	31	32	33		35	36
1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX			XXX	15	19
2. 2003.....	170,318	103,918	66,400	68.6	67.4	70.7				203	23
3. 2004.....	162,352	134,303	28,049	70.2	69.7	72.5				279	6
4. 2005.....	163,106	117,457	45,649	76.7	77.3	75.3				678	20
5. 2006.....	142,183	110,537	31,645	68.2	68.3	68.0				755	38
6. 2007.....	143,010	129,419	13,590	76.4	76.6	74.8				82	8
7. 2008.....	159,060	143,206	15,854	73.8	73.7	74.5				127	18
8. 2009.....	213,067	192,235	20,832	77.0	77.1	75.8				458	67
9. 2010.....	221,530	221,530		75.1	75.1						
10. 2011.....	203,981	203,981		77.6	77.6						
11. 2012.....	199,444	199,444		79.4	79.4						
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX			XXX	2,597	199

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.

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**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 2003	2 2004	3 2005	4 2006	5 2007	6 2008	7 2009	8 2010	9 2011	10 2012	11 One Year	12 Two Year
1. Prior	1,889	1,659	2,494	3,033	3,601	3,751	3,747	3,747	3,613	3,764	151	17
2. 2003	52,606	52,198	54,057	55,111	56,101	56,389	57,322	57,696	57,799	57,941	141	244
3. 2004	XXX	19,187	19,253	20,638	22,737	24,379	25,929	24,630	24,752	24,951	199	320
4. 2005	XXX	XXX	36,199	36,106	39,837	40,645	42,033	39,909	40,132	40,498	366	588
5. 2006	XXX	XXX	XXX	26,473	30,216	29,808	28,737	27,575	27,975	27,822	(152)	248
6. 2007	XXX	XXX	XXX	XXX	11,554	11,755	11,897	11,887	11,986	12,028	42	141
7. 2008	XXX	XXX	XXX	XXX	XXX	13,261	13,739	13,808	13,983	14,108	125	300
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX	17,142	17,832	18,347	18,649	302	817
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
12. Totals											1,174	2,674

**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 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2003	2 2004	3 2005	4 2006	5 2007	6 2008	7 2009	8 2010	9 2011	10 2012		
1. Prior	.000	(110)	1,604	2,821	3,369	3,576	3,670	3,677	3,710	3,730	XXX	XXX
2. 2003	31,195	47,106	50,395	53,373	55,138	55,999	56,945	57,633	57,653	57,718	XXX	XXX
3. 2004	XXX	12,639	10,051	16,291	18,846	22,434	23,905	24,427	24,557	24,670	XXX	XXX
4. 2005	XXX	XXX	23,639	29,356	28,524	34,604	37,491	38,922	39,469	39,807	XXX	XXX
5. 2006	XXX	XXX	XXX	15,677	7,425	18,575	23,377	25,848	26,746	27,035	XXX	XXX
6. 2007	XXX	XXX	XXX	XXX	6,714	9,833	10,948	11,575	11,824	11,940	XXX	XXX
7. 2008	XXX	XXX	XXX	XXX	XXX	7,555	11,715	13,033	13,694	13,965	XXX	XXX
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX	10,281	15,025	17,149	18,131	XXX	XXX
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	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 2003	2 2004	3 2005	4 2006	5 2007	6 2008	7 2009	8 2010	9 2011	10 2012
1. Prior	811	118	30	(153)		8	(25)	(28)	(140)	0
2. 2003	9,048	1,322	553	127	248	107	(17)	(14)	46	13
3. 2004	XXX	2,084	2,233	1,177	1,530	673	1,505	1	44	65
4. 2005	XXX	XXX	3,891	1,923	4,616	2,274	2,908	186	136	271
5. 2006	XXX	XXX	XXX	3,579	8,509	4,834	2,215	386	453	421
6. 2007	XXX	XXX	XXX	XXX	1,560	723	350	69	50	36
7. 2008	XXX	XXX	XXX	XXX	XXX	1,853	731	222	83	54
8. 2009	XXX	XXX	XXX	XXX	XXX	XXX	3,305	826	389	179
9. 2010	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2011	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Bristol West Insurance Company

**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 (Included in Column 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	L	6,316,717	6,237,085	3,092,778	3,390,588	1,656,847	186,099	
2. Alaska	AK	N							
3. Arizona	AZ	L							
4. Arkansas	AR	L	2,629,667	2,461,650	1,661,452	1,486,223	787,982	117,823	
5. California	CA	N							
6. Colorado	CO	L	54,122,851	58,236,951	41,634,886	50,722,151	33,873,386	2,631,290	
7. Connecticut	CT	L							
8. Delaware	DE	L							
9. District of Columbia	DC	L							
10. Florida	FL	L	2,820,286	2,957,878	2,075,275	1,715,639	803,714	120,621	
11. Georgia	GA	L	274,087	302,918	156,192	70,361	72,426	17,468	
12. Hawaii	HI	L							
13. Idaho	ID	L	2,357,735	2,183,858	1,195,600	1,414,741	982,518	133,825	
14. Illinois	IL	L	14,673,395	14,440,055	9,094,444	10,277,559	6,630,360	601,936	
15. Indiana	IN	L	20,157,533	21,489,578	15,740,562	15,599,691	9,524,591	1,242,140	
16. Iowa	IA	L	3,232,047	3,311,198	1,726,109	1,558,855	1,331,733	155,541	
17. Kansas	KS	L	4,741,153	4,399,178	2,514,127	2,469,851	972,503	229,795	
18. Kentucky	KY	L	10,398,307	10,185,010	5,999,404	6,452,745	2,911,035	579,355	
19. Louisiana	LA	L							
20. Maine	ME	L	4,163,583	4,566,954	2,863,690	2,188,632	2,114,226	183,801	
21. Maryland	MD	L							
22. Massachusetts	MA	N							
23. Michigan	MI	L	3,335,657	3,897,221	7,562,657	6,128,345	14,862,503	163,176	
24. Minnesota	MN	N							
25. Mississippi	MS	N							
26. Missouri	MO	L	9,476,965	8,926,413	5,090,751	4,756,864	3,384,792	553,480	
27. Montana	MT	L	4,406,853	4,219,578	2,293,441	2,852,269	1,618,017	148,969	
28. Nebraska	NE	L	4,653,517	4,841,560	3,509,300	2,785,135	2,531,807	128,113	
29. Nevada	NV	N							
30. New Hampshire	NH	L	3,156,763	3,459,972	2,522,815	2,759,418	1,989,018	170,378	
31. New Jersey	NJ	N							
32. New Mexico	NM	L	4,723,958	4,583,448	3,279,041	3,514,398	2,719,526	196,907	
33. New York	NY	N							
34. North Carolina	NC	N							
35. North Dakota	ND	L	1,818,585	1,703,775	864,093	954,536	409,784	71,035	
36. Ohio	OH	L	7,629,648	7,182,191	5,213,213	5,561,760	2,635,647	509,477	
37. Oklahoma	OK	L	10,241,363	9,751,476	6,030,553	4,978,276	2,883,555	453,882	
38. Oregon	OR	L							
39. Pennsylvania	PA	L	27,960,868	30,283,044	19,101,181	20,717,674	11,076,172	1,860,559	
40. Rhode Island	RI	L							
41. South Carolina	SC	L	14,949,453	15,239,626	9,651,148	10,310,080	5,643,072	1,056,725	
42. South Dakota	SD	L	1,023,636	955,836	434,005	426,454	342,540	45,388	
43. Tennessee	TN	L							
44. Texas	TX	N							
45. Utah	UT	L	19,626,660	20,680,147	13,364,188	15,060,555	9,646,905	1,010,771	
46. Vermont	VT	L							
47. Virginia	VA	L	371,733	429,729	360,925	291,485	197,523	39,855	
48. Washington	WA	N							
49. West Virginia	WV	L							
50. Wisconsin	WI	L	4,117,561	4,180,462	4,041,233	4,232,803	3,054,331	220,665	
51. Wyoming	WY	N							
52. American Samoa	AS	N							
53. Guam	GU	N							
54. Puerto Rico	PR	N							
55. U.S. Virgin Islands	VI	N							
56. Northern Mariana Islands	MP	N							
57. Canada	CAN	N							
58. Aggregate other alien	OT	XXX							
59. Totals	(a) 39		243,380,581	251,106,791	171,073,063	182,677,088	124,656,513	12,829,074	
DETAILS OF WRITE-INS									
58001.		XXX							
58002.		XXX							
58003.		XXX							
58998. Summary of remaining write-ins for Line 58 from overflow page		XXX							
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)		XXX							

(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.

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

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART - 1 ORGANIZATIONAL CHART**

PLEASE REFER TO SCHEDULE Y PART 1A

**OVERFLOW PAGE FOR WRITE-INS**

**NONE**

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