



ANNUAL STATEMENT
For the Year Ended December 31, 2014
OF THE CONDITION AND AFFAIRS OF THE
Seaton Insurance Company

NAIC Group Code 4725, 4725 NAIC Company Code 25763 Employer's ID Number 91-0341780
Organized under the Laws of Rhode Island, State of Domicile or Port of Entry Rhode Island
Country of Domicile United States
Incorporated/Organized 04/01/1901 Commenced Business 04/01/1901
Statutory Home Office 475 Kilvert Street, Suite 330, Warwick, RI, US 02886
Main Administrative Office 475 Kilvert Street, Suite 330, Warwick, RI, US 02886 401-453-7000
Mail Address 475 Kilvert Street, Suite 330, Warwick, RI, US 02886
Primary Location of Books and Records 475 Kilvert Street, Suite 330, Warwick, RI, US 02886 401-453-7000
Internet Web Site Address N/A
Statutory Statement Contact Teresa M. Reali, 401-453-7101
teresa.reali@enstargroup.com (E-Mail Address), 401-921-5238 (Fax Number)

OFFICERS

Table with 4 columns: Name, Title, Name, Title. Officers listed include Paul Brockman # (President), Thomas John Balkan (Secretary), Teresa Marie Reali (Treasurer and COO).

OTHER OFFICERS

Table with 4 columns: Name, Title, Name, Title. Officers listed include Joseph Patrick Follis (Vice President), Nadja Stavenhagen (Assistant Secretary), Thomas James Nichols (CFO).

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Title, Name, Title. Officers listed include Joseph Patrick Follis, Andrea Jill Giannetta, Paul Brockman #, Thomas James Nichols, Teresa Marie Reali, Robert Redpath #.

State of Rhode Island

ss

County of Kent

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.

Paul Brockman
President

Teresa Marie Reali
Treasurer and COO

Thomas John Balkan
Secretary

Subscribed and sworn to before me
this 6th day of February, 2015

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

02/28/2015

Stacey L. Nolan, Notary Public
June 8, 2017

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton 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).....	27,528,584		27,528,584	25,923,343
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	0		0	0
2.2 Common stocks .....	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ ..... encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....20,616,764 , Schedule E-Part 1), cash equivalents (\$ .....0 , Schedule E-Part 2) and short-term investments (\$ .....2,042,096 , Schedule DA).....	22,658,860		22,658,860	29,486,570
6. Contract loans (including \$ ..... premium notes).....			0	0
7. Derivatives (Schedule DB).....			0	0
8. Other invested assets (Schedule BA) .....	0		0	0
9. Receivables for securities .....			0	347,018
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	50,187,444	0	50,187,444	55,756,931
13. Title plants less \$ ..... charged off (for Title insurers only).....			0	0
14. Investment income due and accrued .....	141,500		141,500	155,251
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums).....			0	0
15.3 Accrued retrospective premiums.....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	5,386,628		5,386,628	5,480,865
16.2 Funds held by or deposited with reinsured companies .....	78,955		78,955	97,478
16.3 Other amounts receivable under reinsurance contracts .....			0	18,200,000
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
18.2 Net deferred tax asset.....			0	0
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....	6,735,183		6,735,183	0
24. Health care (\$ ..... ) and other amounts receivable.....			0	0
25. Aggregate write-ins for other-than-invested assets .....	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	62,529,710	0	62,529,710	79,690,525
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	62,529,710	0	62,529,710	79,690,525
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. ....				
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0	0

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton Insurance Company**

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8) .....	24,958,163	47,279,101
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) .....	4,805,485	28,791,779
3. Loss adjustment expenses (Part 2A, Line 35, Column 9) .....	10,555,033	14,949,343
4. Commissions payable, contingent commissions and other similar charges .....	0	0
5. Other expenses (excluding taxes, licenses and fees) .....	249,525	231,810
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	0	0
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....	217,719	0
7.2 Net deferred tax liability .....	0	0
8. Borrowed money \$ ..... and interest thereon \$ .....	0	0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ ..... 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) .....	0	0
10. Advance premium .....	0	0
11. Dividends declared and unpaid:		
11.1 Stockholders .....	0	0
11.2 Policyholders .....	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	0	0
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19) .....	35,557	105,359
14. Amounts withheld or retained by company for account of others .....	0	0
15. Remittances and items not allocated .....	0	0
16. Provision for reinsurance (including \$ ..... certified) (Schedule F, Part 8) .....	1,901,581	3,733,757
17. Net adjustments in assets and liabilities due to foreign exchange rates .....	0	0
18. Drafts outstanding .....	0	0
19. Payable to parent, subsidiaries and affiliates .....	642,208	676,073
20. Derivatives .....	0	0
21. Payable for securities .....	0	0
22. Payable for securities lending .....	0	0
23. Liability for amounts held under uninsured plans .....	0	0
24. Capital notes \$ ..... and interest thereon \$ .....	0	0
25. Aggregate write-ins for liabilities .....	0	(24,213,720)
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	43,365,271	71,553,502
27. Protected cell liabilities .....	0	0
28. Total liabilities (Lines 26 and 27) .....	43,365,271	71,553,502
29. Aggregate write-ins for special surplus funds .....	0	0
30. Common capital stock .....	2,600,000	2,600,000
31. Preferred capital stock .....	0	0
32. Aggregate write-ins for other than special surplus funds .....	0	0
33. Surplus notes .....	0	0
34. Gross paid in and contributed surplus .....	52,400,000	52,400,000
35. Unassigned funds (surplus) .....	(35,835,560)	(46,862,977)
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ .....)	0	0
36.2 ..... shares preferred (value included in Line 31 \$ .....)	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39) .....	19,164,440	8,137,023
38. Totals (Page 2, Line 28, Col. 3)	62,529,711	79,690,525
<b>DETAILS OF WRITE-INS</b>		
2501. Retro Reinsurance Recoverable.....		(24,213,720)
2502. ....		0
2503. ....		0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	(24,213,720)
2901. ....		0
2902. ....		0
2903. ....		0
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201. ....		0
3202. ....		0
3203. ....		0
3298. Summary of remaining write-ins for Line 32 from overflow page .....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton Insurance Company**

**STATEMENT OF INCOME**

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4) .....	26,446	2,426
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7) .....	(33,524,212)	(3,024,326)
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1) .....	(209,079)	3,937,010
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2) .....	572,523	702,997
5. Aggregate write-ins for underwriting deductions .....	0	0
6. Total underwriting deductions (Lines 2 through 5) .....	(33,160,768)	1,615,681
7. Net income of protected cells .....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7) .....	33,187,214	(1,613,255)
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....	422,084	450,377
10. Net realized capital gains (losses) less capital gains tax of \$ .....	9,242	93,420
11. Net investment gain (loss) (Lines 9 + 10) .....	431,326	543,797
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ .....		0
13. Finance and service charges not included in premiums .....		0
14. Aggregate write-ins for miscellaneous income .....	(24,205,580)	734,117
15. Total other income (Lines 12 through 14) .....	(24,205,580)	734,117
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) .....	9,412,960	(335,341)
17. Dividends to policyholders .....		0
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) .....	9,412,960	(335,341)
19. Federal and foreign income taxes incurred .....	217,719	0
20. Net income (Line 18 minus Line 19) (to Line 22) .....	9,195,241	(335,341)
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2) .....	8,137,018	8,246,015
22. Net income (from Line 20) .....	9,195,241	(335,341)
23. Net transfers (to) from Protected Cell accounts .....		0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ .....		0
25. Change in net unrealized foreign exchange capital gain (loss) .....		0
26. Change in net deferred income tax .....		0
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3) .....	0	0
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1) .....	1,832,176	226,344
29. Change in surplus notes .....		0
30. Surplus (contributed to) withdrawn from protected cells .....		0
31. Cumulative effect of changes in accounting principles .....		0
32. Capital changes:		
32.1 Paid in .....		0
32.2 Transferred from surplus (Stock Dividend) .....		0
32.3 Transferred to surplus .....		0
33. Surplus adjustments:		
33.1 Paid in .....		0
33.2 Transferred to capital (Stock Dividend) .....		0
33.3 Transferred from capital .....		0
34. Net remittances from or (to) Home Office .....		0
35. Dividends to stockholders .....		0
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1) .....	0	0
37. Aggregate write-ins for gains and losses in surplus .....	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37) .....	11,027,417	(108,997)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37) .....	19,164,435	8,137,018
<b>DETAILS OF WRITE-INS</b>		
0501. ....		
0502. ....		
0503. ....		
0598. Summary of remaining write-ins for Line 5 from overflow page .....	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	0	0
1401. Misc Income or Expense .....	8,140	2,629
1402. Reinsurance Unpaid Paid writeoff .....		45,148
1403. Fitzwilliam treaty-Cession .....	(24,213,720)	686,340
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	686,340
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above) .....	(24,205,580)	734,117
3701. Prior Period Adjustment-claim service fees .....		0
3702. Prior Period Adjustment - NICO treaty adj .....		0
3703. ....		
3798. Summary of remaining write-ins for Line 37 from overflow page .....	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above) .....	0	0

**CASH FLOW**

	1 Current Year	2 Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance.....	26,446	2,426
2. Net investment income.....	582,878	572,079
3. Miscellaneous income.....	(5,987,057)	18,935,743
4. Total (Lines 1 through 3).....	(5,377,733)	19,510,248
5. Benefit and loss related payments.....	12,688,781	5,858,762
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	4,740,039	5,215,536
8. Dividends paid to policyholders.....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	0	0
10. Total (Lines 5 through 9).....	17,428,821	11,074,298
11. Net cash from operations (Line 4 minus Line 10).....	(22,806,554)	8,435,950
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	8,207,735	9,880,232
12.2 Stocks.....	4,463	0
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	16	512
12.7 Miscellaneous proceeds.....	347,398	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	8,559,611	9,880,744
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	9,950,793	10,558,935
13.2 Stocks.....	4,463	0
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	0
13.6 Miscellaneous applications.....	380	347,018
13.7 Total investments acquired (Lines 13.1 to 13.6).....	9,955,635	10,905,953
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14).....	(1,396,024)	(1,025,209)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0
16.5 Dividends to stockholders.....	0	0
16.6 Other cash provided (applied).....	17,374,870	(625,791)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	17,374,870	(625,791)
<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).....	(6,827,708)	6,784,950
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	29,486,564	22,701,615
19.2 End of year (Line 18 plus Line 19.1).....	22,658,856	29,486,564

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1 - PREMIUMS EARNED**

Line of Business		1	2	3	4
		Net Premiums Written per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire .....	0	0	0	0
2.	Allied lines .....	0	0	0	0
3.	Farmowners multiple peril .....	0	0	0	0
4.	Homeowners multiple peril .....	0	0	0	0
5.	Commercial multiple peril .....	0	0	0	0
6.	Mortgage guaranty .....	0	0	0	0
8.	Ocean marine .....	0	0	0	0
9.	Inland marine .....	0	0	0	0
10.	Financial guaranty .....	0	0	0	0
11.1	Medical professional liability-occurrence .....	0	0	0	0
11.2	Medical professional liability-claims-made .....	0	0	0	0
12.	Earthquake .....	0	0	0	0
13.	Group accident and health .....	0	0	0	0
14.	Credit accident and health (group and individual) .....	0	0	0	0
15.	Other accident and health .....	0	0	0	0
16.	Workers' compensation .....	0	0	0	0
17.1	Other liability-occurrence .....	0	0	0	0
17.2	Other liability-claims-made .....	0	0	0	0
17.3	Excess workers' compensation .....	0	0	0	0
18.1	Products liability-occurrence .....	0	0	0	0
18.2	Products liability-claims-made .....	0	0	0	0
19.1,19.2	Private passenger auto liability .....	0	0	0	0
19.3,19.4	Commercial auto liability .....	0	0	0	0
21.	Auto physical damage .....	0	0	0	0
22.	Aircraft (all perils) .....	0	0	0	0
23.	Fidelity .....	0	0	0	0
24.	Surety .....	0	0	0	0
26.	Burglary and theft .....	0	0	0	0
27.	Boiler and machinery .....	0	0	0	0
28.	Credit .....	0	0	0	0
29.	International .....	0	0	0	0
30.	Warranty .....	0	0	0	0
31.	Reinsurance-nonproportional assumed property .....	0	0	0	0
32.	Reinsurance-nonproportional assumed liability .....	26,446	0	0	26,446
33.	Reinsurance-nonproportional assumed financial lines .....	0	0	0	0
34.	Aggregate write-ins for other lines of business .....	0	0	0	0
35.	<b>TOTALS</b>	<b>26,446</b>	<b>0</b>	<b>0</b>	<b>26,446</b>
<b>DETAILS OF WRITE-INS</b>					
3401.	.....				
3402.	.....				
3403.	.....				
3498.	Sum. of remaining write-ins for Line 34 from overflow page .....	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1A - RECAPITULATION OF ALL PREMIUMS**

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire .....					0
2. Allied lines .....					0
3. Farmowners multiple peril .....					0
4. Homeowners multiple peril .....					0
5. Commercial multiple peril .....					0
6. Mortgage guaranty .....					0
8. Ocean marine .....					0
9. Inland marine .....					0
10. Financial guaranty .....					0
11.1 Medical professional liability-occurrence .....					0
11.2 Medical professional liability-claims-made .....					0
12. Earthquake .....					0
13. Group accident and health .....					0
14. Credit accident and health (group and individual) .....					0
15. Other accident and health .....					0
16. Workers' compensation .....					0
17.1 Other liability-occurrence .....					0
17.2 Other liability-claims-made .....					0
17.3 Excess workers' compensation .....					0
18.1 Products liability-occurrence .....					0
18.2 Products liability-claims-made .....					0
19.1,19.2 Private passenger auto liability .....					0
19.3,19.4 Commercial auto liability .....					0
21. Auto physical damage .....					0
22. Aircraft (all perils) .....					0
23. Fidelity .....					0
24. Surety .....					0
26. Burglary and theft .....					0
27. Boiler and machinery .....					0
28. Credit .....					0
29. International .....					0
30. Warranty .....					0
31. Reinsurance-nonproportional assumed property .....					0
32. Reinsurance-nonproportional assumed liability .....					0
33. Reinsurance-nonproportional assumed financial lines .....					0
34. Aggregate write-ins for other lines of business .....	0	0	0	0	0
35. TOTALS	0	0	0	0	0
36. Accrued retrospective premiums based on experience .....					
37. Earned but unbilled premiums .....					
38. Balance (Sum of Lines 35 through 37)					0
<b>DETAILS OF WRITE-INS</b>					
3401. ....					
3402. ....					
3403. ....					
3498. Sum. of remaining write-ins for Line 34 from overflow page .....	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0

NONE

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

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton 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 .....						0
2. Allied lines .....						0
3. Farmowners multiple peril .....						0
4. Homeowners multiple peril .....						0
5. Commercial multiple peril .....						0
6. Mortgage guaranty .....						0
8. Ocean marine .....						0
9. Inland marine .....						0
10. Financial guaranty .....						0
11.1 Medical professional liability-occurrence .....						0
11.2 Medical professional liability-claims-made .....						0
12. Earthquake .....						0
13. Group accident and health .....						0
14. Credit accident and health (group and individual) .....						0
15. Other accident and health .....						0
16. Workers' compensation .....						0
17.1 Other liability-occurrence .....						0
17.2 Other liability-claims-made .....						0
17.3 Excess workers' compensation .....						0
18.1 Products liability-occurrence .....						0
18.2 Products liability-claims-made .....						0
19.1,19.2 Private passenger auto liability .....						0
19.3,19.4 Commercial auto liability .....						0
21. Auto physical damage .....						0
22. Aircraft (all perils) .....						0
23. Fidelity .....						0
24. Surety .....						0
26. Burglary and theft .....						0
27. Boiler and machinery .....						0
28. Credit .....						0
29. International .....						0
30. Warranty .....						0
31. Reinsurance-nonproportional assumed property .....	XXX					0
32. Reinsurance-nonproportional assumed liability .....	XXX		26,446			26,446
33. Reinsurance-nonproportional assumed financial lines .....	XXX					0
34. Aggregate write-ins for other lines of business .....	0	0	0	0	0	0
35. TOTALS	0	0	26,446	0	0	26,446
<b>DETAILS OF WRITE-INS</b>						
3401. ....						
3402. ....						
3403. ....						
3498. Sum. of remaining write-ins for Line 34 from overflow page .....	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0

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

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

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

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton 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				.0	0	0	0	.0
2. Allied lines				.0	0	0	0	.0
3. Farmowners multiple peril	(592)		(592)	.0	0	0	0	.0
4. Homeowners multiple peril	(1,190)		(1,190)	.0	0	0	0	.0
5. Commercial multiple peril	476,561		476,561	.0	0	0	0	.0
6. Mortgage guaranty				.0	0	0	0	.0
8. Ocean marine				.0	0	0	0	.0
9. Inland marine				.0	0	0	0	.0
10. Financial guaranty				.0	0	0	0	.0
11.1 Medical professional liability-occurrence				.0	0	0	0	.0
11.2 Medical professional liability-claims-made				.0	0	0	0	.0
12. Earthquake				.0	0	0	0	.0
13. Group accident and health				.0	0	0	0	.0
14. Credit accident and health (group and individual)				.0	0	0	0	.0
15. Other accident and health				.0	0	0	0	.0
16. Workers' compensation	606,045		606,045	.0	0	0	0	.0
17.1 Other liability-occurrence	3,551,075	586	804,811	2,746,850	5,351,862	10,784,223	(2,685,511)	.0
17.2 Other liability-claims-made				.0	0	0	0	.0
17.3 Excess workers' compensation				.0	0	0	0	.0
18.1 Products liability-occurrence	396,562		396,562	.0	0	0	0	.0
18.2 Products liability-claims-made				.0	0	0	0	.0
19.1,19.2 Private passenger auto liability	650		650	.0	0	0	0	.0
19.3,19.4 Commercial auto liability				.0	0	0	0	.0
21. Auto physical damage	(615)		(615)	.0	0	0	0	.0
22. Aircraft (all perils)				.0	0	0	0	.0
23. Fidelity				.0	0	0	0	.0
24. Surety				.0	0	0	0	.0
26. Burglary and theft				.0	0	0	0	.0
27. Boiler and machinery				.0	0	0	0	.0
28. Credit				.0	0	0	0	.0
29. International				.0	0	0	0	.0
30. Warranty				.0	0	0	0	.0
31. Reinsurance-nonproportional assumed property	XXX			.0	0	0	0	.0
32. Reinsurance-nonproportional assumed liability	XXX	(11,361,078)	2,589,046	(13,950,125)	19,606,301	36,494,878	(30,838,701)	(116,610.4)
33. Reinsurance-nonproportional assumed financial lines	XXX			.0	0	0	0	.0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.0
35. TOTALS	5,028,497	(11,360,493)	4,871,279	(11,203,275)	24,958,163	47,279,101	(33,524,212)	(126,765.2)
<b>DETAILS OF WRITE-INS</b>								
3401.								
3402.								
3403.								
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	.0
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0.0

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton 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	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire				.0				.0	
2. Allied lines				.0				.0	
3. Farmowners multiple peril				.0				.0	
4. Homeowners multiple peril				.0				.0	
5. Commercial multiple peril	597,293		597,293	.0	9,038,056		9,038,056	.0	
6. Mortgage guaranty				.0				.0	
8. Ocean marine				.0				.0	
9. Inland marine				.0				.0	
10. Financial guaranty				.0				.0	
11.1 Medical professional liability-occurrence				.0				.0	
11.2 Medical professional liability-claims-made				.0				.0	
12. Earthquake				.0				.0	
13. Group accident and health				.0				(a) .0	
14. Credit accident and health (group and individual)				.0				(a) .0	
15. Other accident and health				.0				.0	
16. Workers' compensation	5,404,188		5,404,188	.0	.60,383		.60,383	.0	
17.1 Other liability-occurrence	7,626,781	13,603	4,959,522	2,680,862	9,303,804		6,632,804	5,351,862	2,086,502
17.2 Other liability-claims-made				.0				.0	
17.3 Excess workers' compensation				.0				.0	
18.1 Products liability-occurrence	1,438,322		1,438,322	.0	174,476		174,476	.0	
18.2 Products liability-claims-made				.0				.0	
19.1,19.2 Private passenger auto liability				.0				.0	
19.3,19.4 Commercial auto liability				.0				.0	
21. Auto physical damage				.0				.0	
22. Aircraft (all perils)				.0				.0	
23. Fidelity				.0				.0	
24. Surety				.0				.0	
26. Burglary and theft				.0				.0	
27. Boiler and machinery				.0				.0	
28. Credit				.0				.0	
29. International				.0				.0	
30. Warranty				.0				.0	
31. Reinsurance-nonproportional assumed property	XXX			.0	XXX			.0	
32. Reinsurance-nonproportional assumed liability	XXX	5,463,615	476,315	4,987,301	XXX	15,114,000	495,000	19,606,301	8,468,531
33. Reinsurance-nonproportional assumed financial lines	XXX			.0	XXX			.0	
34. Aggregate write-ins for other lines of business	.0	.0	.0	.0	.0	.0	.0	.0	.0
35. TOTALS	15,066,583	5,477,218	12,875,639	7,668,162	18,576,719	15,114,000	16,400,719	24,958,163	10,555,033
<b>DETAILS OF WRITE-INS</b>									
3401.									
3402.									
3403.									
3498. Sum. of remaining write-ins for Line 34 from overflow page	.0	.0	.0	.0	.0	.0	.0	.0	.0
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct .....	2,234,687			2,234,687
1.2 Reinsurance assumed .....	(432,726)			(432,726)
1.3 Reinsurance ceded .....	2,011,040			2,011,040
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3) .....	(209,079)	0	0	(209,079)
2. Commission and brokerage:				
2.1 Direct, excluding contingent .....				0
2.2 Reinsurance assumed, excluding contingent .....				0
2.3 Reinsurance ceded, excluding contingent .....				0
2.4 Contingent-direct .....				0
2.5 Contingent-reinsurance assumed .....				0
2.6 Contingent-reinsurance ceded .....				0
2.7 Policy and membership fees .....				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) .....	0	0	0	0
3. Allowances to manager and agents .....				0
4. Advertising .....				0
5. Boards, bureaus and associations .....		1,545		1,545
6. Surveys and underwriting reports .....				0
7. Audit of assureds' records .....				0
8. Salary and related items:				
8.1 Salaries .....				0
8.2 Payroll taxes .....				0
9. Employee relations and welfare .....				0
10. Insurance .....				0
11. Directors' fees .....				0
12. Travel and travel items .....		21,981		21,981
13. Rent and rent items .....				0
14. Equipment .....				0
15. Cost or depreciation of EDP equipment and software .....				0
16. Printing and stationery .....				0
17. Postage, telephone and telegraph, exchange and express .....				0
18. Legal and auditing .....		280,709		280,709
19. Totals (Lines 3 to 18) .....	0	304,235	0	304,235
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ .....		971		971
20.2 Insurance department licenses and fees .....		127,536		127,536
20.3 Gross guaranty association assessments .....		(1,803)		(1,803)
20.4 All other (excluding federal and foreign income and real estate) .....				0
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....	0	126,704	0	126,704
21. Real estate expenses .....				0
22. Real estate taxes .....				0
23. Reimbursements by uninsured plans .....				0
24. Aggregate write-ins for miscellaneous expenses .....	0	141,585	64,248	205,833
25. Total expenses incurred .....	(209,079)	572,523	64,248	(a) 427,693
26. Less unpaid expenses-current year .....	10,555,033	249,525		10,804,559
27. Add unpaid expenses-prior year .....	14,949,343	231,810		15,181,153
28. Amounts receivable relating to uninsured plans, prior year .....	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year .....				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	4,185,231	554,808	64,248	4,804,287
<b>DETAILS OF WRITE-INS</b>				
2401. Run-off expense .....	0	131,108		131,108
2402. Consulting fees .....				0
2403. Misc expense .....		10,476	64,248	74,725
2498. Summary of remaining write-ins for Line 24 from overflow page .....	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	0	141,585	64,248	205,833

(a) Includes management fees of \$ 1,200,000 to affiliates and \$ to non-affiliates.

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 14,621	16,037
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 465,301	465,423
1.3 Bonds of affiliates	(a) 0	
2.1 Preferred stocks (unaffiliated)	(b) 0	
2.11 Preferred stocks of affiliates	(b) 0	
2.2 Common stocks (unaffiliated)	0	0
2.21 Common stocks of affiliates	0	
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 4,974	3,964
7. Derivative instruments	(f)	
8. Other invested assets	908	908
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	485,804	486,332
11. Investment expenses		(g) 64,248
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		0
16. Total deductions (Lines 11 through 15)		64,248
17. Net investment income (Line 10 minus Line 16)		422,084
<b>DETAILS OF WRITE-INS</b>		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

- (a) Includes \$ 14,831 accrual of discount less \$ 161,874 amortization of premium and less \$ 30,297 paid for accrued interest on purchases.  
 (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ 0 paid for accrued dividends on purchases.  
 (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ paid for accrued interest on purchases.  
 (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.  
 (e) Includes \$ 2,208 accrual of discount less \$ 14,143 amortization of premium and less \$ 8,978 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 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds			0	(380)	
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	9,606		9,606	0	
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans			0		
6. Cash, cash equivalents and short-term investments	16		16	0	0
7. Derivative instruments			0		
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	9,622	0	9,622	(380)	0
<b>DETAILS OF WRITE-INS</b>					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0	0

**EXHIBIT OF NONADMITTED ASSETS**

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	.0	.0	.0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	.0	.0	.0
2.2 Common stocks .....	.0	.0	.0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	.0	.0	.0
3.2 Other than first liens .....	.0	.0	.0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	.0	.0	.0
4.2 Properties held for the production of income.....	.0	.0	.0
4.3 Properties held for sale .....	.0	.0	.0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	.0	.0	.0
6. Contract loans .....	.0	.0	.0
7. Derivatives (Schedule DB).....	.0	.0	.0
8. Other invested assets (Schedule BA) .....	.0	.0	.0
9. Receivables for securities .....	.0	.0	.0
10. Securities lending reinvested collateral assets (Schedule DL).....	.0	.0	.0
11. Aggregate write-ins for invested assets .....	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	.0	.0	.0
13. Title plants (for Title insurers only).....	.0	.0	.0
14. Investment income due and accrued .....	.0	.0	.0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	.0	.0	.0
15.2 Deferred premiums, agents' balances and installments booked but not yet due.....	.0	.0	.0
15.3 Accrued retrospective premiums.....	.0	.0	.0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	.0	.0	.0
16.2 Funds held by or deposited with reinsured companies .....	.0	.0	.0
16.3 Other amounts receivable under reinsurance contracts .....	.0	.0	.0
17. Amounts receivable relating to uninsured plans .....	.0	.0	.0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	.0	.0	.0
18.2 Net deferred tax asset.....	.0	.0	.0
19. Guaranty funds receivable or on deposit .....	.0	.0	.0
20. Electronic data processing equipment and software.....	.0	.0	.0
21. Furniture and equipment, including health care delivery assets .....	.0	.0	.0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	.0	.0	.0
23. Receivables from parent, subsidiaries and affiliates .....	.0	.0	.0
24. Health care and other amounts receivable.....	.0	.0	.0
25. Aggregate write-ins for other-than-invested assets .....	.0	.0	.0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	.0	.0	.0
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	.0	.0	.0
28. Total (Lines 26 and 27)	0	0	0
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. ....			
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....	.0	.0	.0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0

**NONE**

# ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton Insurance Company

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies

#### A. Accounting Practices

	<u>State of Domicile</u>	<u>2014</u>	<u>2013</u>
<b>NET INCOME</b>			
(1) Company state basis (Page 4, Line 20, Columns 1 & 2)	RI	\$ 9,195,241	\$ (335,341)
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:			
(3) State Permitted Practices that increase/(decrease) NAIC SAP:			
(4) NAIC SAP (1-2-3=4)	RI	<u>\$ 9,195,241</u>	<u>\$ (335,341)</u>
<b>SURPLUS</b>			
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)	RI	\$ 19,164,440	\$ 8,137,023
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:			
(7) State Permitted Practices that increase/(decrease) NAIC SAP:			
(8) NAIC SAP (5-6-7=8)	RI	<u>\$ 19,164,440</u>	<u>\$ 8,137,023</u>

B. 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. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. The Company uses the following accounting policies:

1. Short-term investments are stated at cost.
2. Bonds, including issuer obligations, mortgage-backed securities and asset-backed securities rated 1 and 2 are stated at amortized cost using the interest method; all others are stated at the lower of amortized cost or market.
3. Common Stocks, other than investments in stocks of subsidiaries and affiliates, are reported at fair market values as determined by the Securities Valuation of the NAIC.
4. Preferred Stocks – Investment grade redeemable preferred stocks are stated at amortized value. Investment grade perpetual preferred stocks are stated at fair value. Non-investment grade preferred stocks are stated at the lower of amortized value or fair value.
5. Mortgage Loans – Not Applicable
6. Loan-Backed Securities are stated at either amortized cost or the lower of amortized cost or fair market value. The prospective adjustment method is used to value all securities.
7. Investments in subsidiaries, controlled and affiliated companies – Not Applicable
8. Investments in joint ventures, partnerships and limited liability companies – Not Applicable
9. Derivatives – Not Applicable
10. Premium Deficiency – Not Applicable
11. Loss/Claim Adjustment Expenses – Asbestos, Environmental and Other Latent Injury Type Claims  
  
 Direct Losses – An exposure analysis on an account by account basis is performed and the appropriate reserves are established whether it be case reserves or a bulk IBNR reserve. IBNR reserves are established for the unknown or unreported cases, adverse development on known cases and allocated adjustment expenses.  
  
 Assumed Losses – An exposure analysis on a treaty by treaty is performed and the appropriate case reserves are established. A more detailed category review assists in the development of the IBNR reserves.
12. Capitalization Policy – Not Applicable.
13. Pharmaceutical Rebate Receivables – Not Applicable

### 2. Accounting Changes and Corrections of Errors

There have been no material changes in accounting principles and/or correction of errors during the current year.

### 3. Business Combinations and Goodwill

Not Applicable

### 4. Discontinued Operations

Not Applicable

### 5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans  
The Company had no investments in mortgage loans or mezzanine real estate loans.

B. Debt Restructuring  
The Company had no restructured debt invested assets.

C. Reverse Mortgages-NONE

D. Loan-Backed Securities

- (1) Mortgage backed securities are valued using anticipated prepayment assumptions as of the date of purchase. These assumptions continue to be reasonable in the current interest rate and economic environment. The prospective adjustment method is used to value structured securities. Fair values of mortgage backed securities are estimated using values obtained from independent pricing services or are based on expected future cash flows discounted using a current market rate applicable to the yield, credit quality and maturity of the investments.
- (2) The Company has not recognized any other-than-temporary impairments on its mortgage backed securities.
- (3) The Company has no impaired mortgage backed securities in which fair value is less than cost for which an other-than-temporary impairment has not been recognized.
- (4) The Company's loan-backed securities in an unrealized loss position at December 31, 2014, are summarized as follows:

<u>Less than 12 months</u>		<u>12 months or more</u>		<u>Total</u>	
Market Value	Unrealized Loss	Market Value	Unrealized Loss	Market Value	Unrealized Loss
\$1,578,235	\$(2,348)	\$496,973	\$(6,561)	\$2,075,208	\$(8,908)

# ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton Insurance Company

(5) The Company regularly reviews its investment portfolio to evaluate the necessity of recording impairment losses for other-than-temporary declines in the fair value of its investments. A number of criteria are considered during this process, including but not limited to the following: whether the Company intends to sell the security; the current fair value as compared to amortized cost or cost, as appropriate, of the security; the length of time the security's fair value has been below amortized cost or cost; the likelihood that the Company will be required to sell the security before recovery of its cost basis; specific credit issues related to the issuer; and current economic conditions, including interest rates. In general, the Company reviews all securities that are impaired by 5% or more at the end of the period. The Company focuses its review of securities with no stated maturity date on securities that were impaired by 20% or more at the end of the period or had been impaired 10% or more continuously for six months or longer as of the end of the period. The Company also analyzes the entire portfolio for other factors that might indicate a risk of impairment, including credit ratings, liquidity of the issuer and interest rates. If declines in the fair value of a loan-backed security are deemed "other than temporary" and if the Company does not intend to sell and more likely than not would not be required to sell the security prior to recovery of the amortized cost basis, the impairment is separated into the amount that is credit related and the amount that is due to all other factors. The other-than-temporary impairment ("OTTI") charged to operations is equal to the credit loss component and is the difference between a security's amortized cost basis and the present value of expected future cash flows discounted at the security's effective interest rate. For loan-backed securities that are considered to be other-than-temporarily impaired and that the Company intends to sell or more likely than not would be required to sell prior to recovery of the amortized cost basis, the amount of the OTTI loss is equal to the entire difference between the investment's amortized cost basis and its fair value at the balance sheet date. In 2014, there were no OTTI charges. At December 31, 2014, no security had a fair value less than 80% of its amortized cost or cost.

E. Repurchase Agreements and/or Securities Lending Transactions  
The Company has no repurchase agreements.

F. Real Estate  
Not applicable

G. Low-Income Housing Tax Credits  
Not applicable

H. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross Restricted							8 Total Current Year Admitted Restricted	Percentage	
	Current Year					6 Total From Prior Year	7 Increase/ (Decrease) (5 minus 6)		9 Gross Restricted to Total Assets	10 Admitted Restricted to Total Admitted Assets
	1 Total General Account (G/A)	2 G/A Supporting Protected Cell Account Activity (a)	3 Total Protected Cell Account Restricted Assets	4 Protected Cell Account Assets Supporting G/A Activity (b)	5 Total (1 plus 3)					
a. Subject to contractual obligation for which liability is not shown	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	\$.....	0.0 %	0.0 %
b. Collateral held under security lending agreements					0	0	0		0.0	0.0
c. Subject to repurchase agreements					0	0	0		0.0	0.0
d. Subject to reverse repurchase agreements					0	0	0		0.0	0.0
e. Subject to dollar repurchase agreements					0	0	0		0.0	0.0
f. Subject to dollar reverse repurchase agreements					0	0	0		0.0	0.0
g. Placed under option contracts					0	0	0		0.0	0.0
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock					0	0	0		0.0	0.0
i. FHLB capital stock					0	0	0		0.0	0.0
j. On deposit with states	3,526,532				3,526,532	3,534,870	(8,338)		5.6	0.0
k. On deposit with other regulatory bodies					0	0	0		0.0	0.0
l. Pledged as collateral to FHLB (including assets backing funding agreements)					0	0	0		0.0	0.0
m. Pledged as collateral not captured in other categories					0	0	0		0.0	0.0
n. Other restricted assets					0	0	0		0.0	0.0
<b>o. Total Restricted Assets</b>	<b>\$..... 3,526,532</b>	<b>\$..... 0</b>	<b>\$..... 0</b>	<b>\$..... 0</b>	<b>\$..... 3,526,532</b>	<b>\$..... 3,534,870</b>	<b>\$..... (8,338)</b>	<b>\$..... 0</b>	<b>..... %</b>	<b>..... %</b>

(a) Subset of column 1  
(b) Subset of column 3

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

(a) Subset of column 1  
(b) Subset of column 3

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

(a) Subset of column 1  
(b) Subset of column 3

- I. Working Capital Finance Investments-NONE
- J. Offsetting and Netting of Assets and Liabilities-NONE
- K. Structured Notes-NONE

**6. Joint Ventures, Partnerships and Limited Liability Companies**  
Not Applicable

**7. Investment Income**

- A. Accrued Investment Income  
The Company non admits investment income due and accrued if amounts are over 90 days past due (180 days for mortgage loans or amounts on mortgage loans in default).
- B. Amounts Non-Admitted  
Not Applicable

**8. Derivative Instruments**  
Not Applicable

# ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton Insurance Company

## 9. Income Taxes

A. The components of the net deferred tax asset/(liability) at December 31 are as follows:

1.

12/31/2014			
(1)	(2)	(3)	
Ordinary	Capital	(Col 1+2) Total	
(a) Gross Deferred Tax Assets	\$ 1,740,632	\$	\$ 1,740,632
(b) Statutory Valuation Allowance Adjustments	\$ 1,737,093	\$	\$ 1,737,093
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 3,539	\$ 0	\$ 3,539
(d) Deferred Tax Assets Nonadmitted	\$	\$	\$ 0
(e) Subtotal Net Admitted Deferred Tax Asset (1c -1d )	\$ 3,539	\$ 0	\$ 3,539
(f) Deferred Tax Liabilities	\$ 3,539	\$	\$ 3,539
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 0	\$ 0	\$ 0

12/31/2013			
(4)	(5)	(6)	
Ordinary	Capital	(Col 4+5) Total	
(a) Gross Deferred Tax Assets	\$ 5,682,243	\$ 0	\$ 5,682,243
(b) Statutory Valuation Allowance Adjustments	\$ 4,852,605	\$ 0	\$ 4,852,605
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 829,638	\$ 0	\$ 829,638
(d) Deferred Tax Assets Nonadmitted	\$ 0	\$ 0	\$ 0
(e) Subtotal Net Admitted Deferred Tax Asset (1c -1d )	\$ 829,638	\$ 0	\$ 829,638
(f) Deferred Tax Liabilities	\$ 829,638	\$ 0	\$ 829,638
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 0	\$ 0	\$ 0

Change			
(7)	(8)	(9)	
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total	
(a) Gross Deferred Tax Assets	\$ (3,941,611)	\$ 0	\$ (3,941,611)
(b) Statutory Valuation Allowance Adjustments	\$ (3,115,512)	\$ 0	\$ (3,115,512)
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ (826,099)	\$ 0	\$ (826,099)
(d) Deferred Tax Assets Nonadmitted	\$ 0	\$ 0	\$ 0
(e) Subtotal Net Admitted Deferred Tax Asset (1c -1d )	\$ (826,099)	\$ 0	\$ (826,099)
(f) Deferred Tax Liabilities	\$ (826,099)	\$ 0	\$ (826,099)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 0	\$ 0	\$ 0

2.

12/31/2014			
(1)	(2)	(3)	
Ordinary	Capital	(Col 1+2) Total	
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$	\$	\$ 0
(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)	\$	\$	\$ 0
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$	\$	\$ 0
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$ 1,938,200
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	\$ 3,539	\$	\$ 3,539
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 3,539	\$ 0	\$ 3,539

12/31/2013			
(4)	(5)	(6)	
Ordinary	Capital	(Col 4+5) Total	
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 0	\$ 0	\$ 0
(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)	\$ 0	\$ 0	\$ 0
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ 0	\$ 0	\$ 0
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$ 0
(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.	\$ 829,638	\$ 0	\$ 829,638
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 829,638	\$ 0	\$ 829,638

Change			
(7)	(8)	(9)	
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total	
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 0	\$ 0	\$ 0
(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)	\$ 0	\$ 0	\$ 0
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ 0	\$ 0	\$ 0
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$ 1,938,200
(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.	\$ (826,099)	\$ 0	\$ (826,099)
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ (826,099)	\$ 0	\$ (826,099)

3.

	2014	2013
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	233%	59%
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 19,382,000	\$ 8,137,023

4. The Company has not considered tax-planning strategies in the measurements of deferred tax assets and liabilities.

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

# ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton Insurance Company

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

	(1)	(2)	(3)
	12/31/2014	12/31/2013	(Col 1-2) Change

1. Current Income Tax

(a)	Federal	\$ 217,719	\$ 0.0	\$ 217,719
(b)	Foreign	\$ 0.0	\$ 0.0	\$ 0.0
(c)	Subtotal	\$ 217,719	\$ 0.0	\$ 217,719
(d)	Federal income tax on net capital gains	\$ 0.0	\$ 0.0	\$ 0.0
(e)	Utilization of capital loss carry-forwards	\$ 0.0	\$ 0.0	\$ 0.0
(f)	Other	\$ 0.0	\$ 0.0	\$ 0.0
(g)	Federal and foreign income taxes incurred	\$ 0.0	\$ 0.0	\$ 0.0

The Company has no income tax contingencies to report for the periods ending December 31, 2014 and December 31, 2013.

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities are as follows at December 31, 2014 and December 31, 2013:

2. Deferred Tax Assets:

(a) Ordinary

(1)	Discounting of unpaid losses	\$ 1,442,708	\$ 2,132,143	\$ (689,435)
(2)	NOL Carryforward	\$ 76,355	\$ 3,550,100	\$ (3,473,745)
(3)	Accruals	\$ 3,850	\$ 0	\$ 3,850
(4)	AMT Credit	\$ 217,719	\$ 0	\$ 217,719
(5)	Deferred acquisition costs	\$ 0	\$ 0	\$ 0
(6)	Policyholder dividends accrual	\$ 0	\$ 0	\$ 0
(7)	Fixed assets	\$ 0	\$ 0	\$ 0
(8)	Compensation and benefits accrual	\$ 0	\$ 0	\$ 0
(9)	Pension accrual	\$ 0	\$ 0	\$ 0
(10)	Receivables - nonadmitted	\$ 0	\$ 0	\$ 0
(11)	Net operating loss carry-forward	\$ 0	\$ 0	\$ 0
(12)	Tax credit carry-forward	\$ 0	\$ 0	\$ 0
(13)	Other (including items <5% of total ordinary tax assets)	\$ 0	\$ 0	\$ 0
(99)	Subtotal	\$ 1,740,632	\$ 5,682,243	\$ (3,941,611)

(b)	Statutory valuation allowance adjustment	\$ 1,737,093	\$ 4,852,605	\$ (3,115,511)
(c)	Nonadmitted	\$ 0	\$ 0	\$ 0

(d)	Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 3,539	\$ 829,638	\$ (826,099)
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(e) Capital:

(1)	Investments	\$ 0	\$ 0	\$ 0
(2)	Net capital loss carry-forward	\$ 0	\$ 0	\$ 0
(3)	Real estate	\$ 0	\$ 0	\$ 0
(4)	Other (including items <5% of total capital tax assets)	\$ 0	\$ 0	\$ 0
(99)	Subtotal	\$ 0	\$ 0	\$ 0

(f)	Statutory valuation allowance adjustment	\$ 0	\$ 0	\$ 0
(g)	Nonadmitted	\$ 0	\$ 0	\$ 0

(h)	Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ 0	\$ 0	\$ 0
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(i)	Admitted deferred tax assets (2d + 2h)	\$ 3,539	\$ 829,638	\$ (826,099)
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3. Deferred Tax Liabilities:

(a) Ordinary

(1)	Retroactive Reinsurance Recoverable	\$ 829,638	\$ 829,638	\$ (829,638)
(2)	Accrued Market Discount	\$ 3,539	\$ 0	\$ 3,539
(3)	Deferred and uncollected premium	\$ 0	\$ 0	\$ 0
(4)	Policyholder reserves	\$ 0	\$ 0	\$ 0
(5)	Other (including items <5% of total ordinary tax liabilities)	\$ 0	\$ 0	\$ 0
(99)	Subtotal	\$ 3,539	\$ 829,638	\$ (826,099)

(b) Capital:

(1)	Investments	\$ 0	\$ 0	\$ 0
(2)	Real estate	\$ 0	\$ 0	\$ 0
(3)	Other (including items <5% of total capital tax liabilities)	\$ 0	\$ 0	\$ 0
(99)	Subtotal	\$ 0	\$ 0	\$ 0

(c)	Deferred tax liabilities (3a99 + 3b99)	\$ 3,539	\$ 829,638	\$ (826,099)
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4.	Net deferred tax assets/liabilities (2i - 3c)	\$ 0	\$ 0	\$ 0
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The change in net deferred income taxes between December 31, 2014 and December 31, 2013 is composed of the following (this analysis is exclusive of nonadmitted DTAs as the Change in Nonadmitted Assets is reported

	12/31/2014	12/31/2013	Change
Total deferred tax assets	\$ 1,740,632	\$ 5,682,243	\$ (3,941,611)
Total deferred tax liabilities	3,539	829,639	(826,100)
Net deferred tax assets/liabilities	1,737,093	4,852,605	(3,115,511)
Statutory valuation allowance	(1,737,093)	(4,852,605)	3,115,511
Net deferred tax assets after valuation allowance	-	-	-
Tax effect of unrealized gains/(losses)	-	-	-
Statutory valuation allowance on unrealized	-	-	-
Change in net deferred income tax (expense)/benefit	\$ -	\$ -	\$ -

# ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton Insurance Company

## 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 to pre-tax income. The

	Amount	Tax Effect	Effective Tax Rate
Income from operations before income taxes	\$ 9,403,718	\$ 3,197,264	
Net realized capital gains before income taxes	9,242	\$ 3,142	
Statutory pretax income	9,412,960	3,200,406	34.00%
Schedule F Penalties	1,832,176	622,940	6.62%
Balance Sheet Validation	(1,447,097)	(492,013)	-5.23%
Change in Valuation Allowance	(9,163,267)	(3,115,511)	-33.10%
Other, including prior year true-up	5,580	1,896	0.02%
Total statutory income tax	<u>\$ 640,353</u>	<u>\$ 217,719</u>	<u>2.31%</u>
Federal income taxes incurred		\$ 217,719	2.31%
Tax on capital gains		-	0.00%
Prior period adjustments		-	0.00%
Change in net deferred income tax expense (benefit)		-	0.00%
Total statutory income tax		<u>\$ 217,719</u>	<u>2.31%</u>

## E. Carryforwards, recoverable taxes, and IRC 6603 deposits

(1) The Company has net operating or capital loss carryforwards of \$76,354 which expire in 2033.

The Company has alternative minimum tax credit carryforwards of \$217,719 as of December 31, 2014.

(2) The Company has federal income taxes incurred in prior years that are available for recoupment in the event of future net losses. The amounts are as follows

Year	Ordinary	Capital	Income Tax Amount
2012	-	-	-
2013	-	-	-
2014	-	-	-

(3) The Company has no deposits admitted under Section 6603 of the Internal Revenue Code.

## F. Federal Income Tax Allocation

(1) N/A

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

### A. Nature of Relationships

On August 3, 2010, Virginia Holdings Ltd acquired 100% of the share capital of Seaton Insurance Co. Virginia Holdings Ltd is ultimately owned by Enstar Group Ltd. Enstar (US) Inc., also a subsidiary of Enstar Group Ltd, has been the Run-off Administrator for Seaton Insurance Company since January 2006. The terms of the agreement between Enstar (US) Inc. and Seaton Insurance Co are contained in a written agreement between the parties.

### B. Detail of Transactions Greater than 1/2% of Admitted Assets

Pursuant to the management agreement with Enstar (US) Inc., the Company incurred \$1,200,000 in fees and miscellaneous expense. The Company entered into Commutation with Fitzwilliam resulting in a favorable incurred of \$67 million.

### C. Change in terms of Intercompany Arrangements

On September 7, 2012 Rhode Island Department of Business Regulation approved amendment #2 to the Administration of Run-Off Business Agreement by and between Seaton Insurance Company and Enstar (US) Inc. through 2014.

### D. Amounts Due to or from Related Parties

As of December 31, 2014, the Company reported \$6,735,183 due from/ (to) affiliates and (\$642,208) as follows:

	2014
Fitzwilliam	\$6,735,183
Enstar (US) Inc.	(\$621,337)
Enstar Limited	(\$20,871)
Total	\$6,092,975

### E. Guarantees or Contingencies for related parties

Not Applicable

### F. Related Parties Management Agreement

See note 10A.

### G. Nature of Relationships that Could Affect Operations

All outstanding shares of the Company are owned by the Parent

### H. Amount Deducted for Investment in Upstream Company

The Company owns no shares of an upstream intermediate or ultimate parent, either directly or indirectly.

### I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

The Company holds no investments in its Parent or affiliates.

### J. Write down for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies

The Company holds no investments in its Parent or affiliates.

### K. Foreign Subsidiary Valued Using CARVM

Not Applicable

### L. Downstream Holding Company Valued Using Look-Through Method

Not Applicable

## 11. Debt

The company has no capital notes outstanding. The Company has no other debt outstanding.

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

### A. Defined Benefit Plan

The Company had no Defined benefit plan.

### B. Defined Contribution Plan

The Company had no Defined Contribution Plan

### C. Multiemployer Plans

The Company does not participate in a multiemployer plan.

### D. Consolidated / Holding Company Plans

The Company does not participate in a consolidated/holding company plan.

### E. Postemployment Benefits and Compensated Absences

The Company has no employees and had no obligation for postemployment benefits or compensated absences.

### F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

The Company had no postretirement benefits

## 13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

### (1) Outstanding Shares

The Company has been authorized to issue five hundred fifty thousand (550,000) shares of preferred stock of ten dollars (\$10.00) par value and none are outstanding. The Company has one million (1,000,000) shares of thirteen dollars (\$13) par

# ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton Insurance Company

value common stock authorized and two hundred thousand (200,000) shares issued and outstanding.

- (2) **Dividend Rate of Preferred Stock**  
Dividends on common stock are not cumulative and are payable when and as declared by the Board of Directors, dividends on preferred stock are cumulative at the rate of twelve dollars (\$12.00) per share annually and payable in quarterly installments.
- (3), (4), (5) **Dividend Restrictions**  
Dividends on common stock are paid as declared by the Board of Directors. Under the insurance regulations of Rhode Island, the maximum amount of dividends that the Company may pay to the shareholders in a twelve month period is limited to the lesser of the 10% of the most recent year-end policyholders' surplus or the net income for that same year-end
- (6) **Restrictions on Unassigned funds (surplus)**  
There are no restrictions on the unassigned surplus funds
- (7) **Mutual Surplus Advances**  
Not applicable
- (8) **Company Stock Held for Special Purposes**  
Not applicable
- (9) **Changes in Special Surplus Funds**  
None
- (10) **The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$** .....0
- (11) **The Company issued the following surplus debentures or similar obligations: NONE**
- (12) **The impact of any restatement due to prior quasi-reorganizations is as follows: NONE**

## 14. Liabilities, Contingencies and Assessments

- A. **Contingent Commitments**  
Not Applicable
- B. **Assessments**  
Not Applicable
- C. **Gain Contingencies**  
Not Applicable
- D. **Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits**  
The company did not settle any claims that included extra contractual obligation or bad faith claims stemming from lawsuits.
- E. **Product Warranties**  
Not Applicable
- F. **All Other Contingencies**  
Lawsuits arise against the Company in the normal course of business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

## 15. Leases

- A. **Lessee Operating Lease**  
The Company does not have any lease obligations at this time.
- B. **Lessor Leases**  
The Company had not entered into any leasing arrangement where the company is the lessor.

## 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**  
The Company did not have any transfers of receivables reported as sales
- B. **Transfer and Servicing of Financial Assets**  
The Company had no transfer or servicing of financial assets.
- C. **Wash Sales**  
The Company did not have any wash sales.

## 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 Other Similarly Structured Cost Based Reimbursement Contract**  
Not applicable

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

The Company had no direct premiums written by third party administrators or managing general agents.

## 20. Fair Value Measurements

The Company does not have any securities recorded at Fair Value

## 21. Other Items

- A. **Extraordinary items**  
Not Applicable
- B. **Troubled Debt Restructuring**  
Not Applicable
- C. **Other Disclosures**  
Not Applicable
- D. **Business Interruption Insurance Recoveries**  
Not Applicable
- E. **State Transferable and Non-transferable Tax Credits**  
Not Applicable
- F. **Subprime-Mortgage-Related Risk Exposure**
  - (1) The Company believes it has minimal exposure to subprime mortgage related risk. The Company holds no mortgage-backed securities other than securities issued by government-sponsored entities ("GSEs") organized or chartered by the U.S. government. None of the Company's holdings of mortgage-backed securities were issued by private entities.  
The Company believes it has minimal exposure to unrealized losses due to changes in asset values, and realized losses from receiving less than anticipated cash flows, due to only Holding mortgage-backed securities of high quality issued by GSEs.
  - (2) The Company has no direct exposure to subprime mortgage related risk through investments in subprime mortgage loans.
  - (3) The Company has no direct exposure to subprime mortgage related risk through other investments.
  - (4) The Company does not provide mortgage guaranty or financial guaranty insurance coverage. Therefore, it has no exposure to subprime mortgage related risk through the provision of such insurance.

## 22. Events Subsequent

Not Applicable

## 23. Reinsurance

- A. **Unsecured Reinsurance Recoverable**

# ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton Insurance Company

Federal ID Number	NAIC Co Code	Name of Reinsurer	Unsecured Amt (000s)
91-6027360	25747	Unigard Insurance Co	27,653
94-1590201	26220	Yosemite Insurance Company	2,817
AA-1122000	00000	Lloyd's of London	2,636
13-1290712	20583	XL Reinsurance America Inc.	911
AA-1120580	00000	Excess Ins Co Ltd	610

**B. Reinsurance Recoverable in Dispute**

Name of Reinsurer	Total			
	Amount in Dispute, (Including IBNR)	Notification	Arbitration	Litigation
General				
Reinsurance Corp	\$ 34,486	\$ 34,486	\$	\$
XL Reinsurance America Inc.	\$ 57,649	\$ 57,649	\$	\$
Yosemite Insurance Co.	\$ 94,705	\$	\$	\$ 94,705
AGF Assurances / Allianz IARD / R Fox	\$ 6,080	\$ 6,080	\$	\$
New Zealand / CGU Bonus Ltd / R Fox	\$ 1,760	\$ 1,760	\$	\$
Excess Ins Co Ltd	\$ 345,678	\$ 345,678	\$	\$
Gothaer Versicherungsbank VVaG	\$ 7,353	\$ 7,353	\$	\$
IRB BRASIL				
RESSEGUROS SA	\$ 68,465	\$ 68,465	\$	\$
GICL 2013 / Minster Ins Co Ltd / R Fox	\$ 1,396	\$ 1,396	\$	\$
QBE Reinsurance (UK) Limited / R Fox	\$ 16,320	\$ 16,320	\$	\$

**C. Reinsurance Assumed and Ceded**

There is no amount of return commission due reinsurers if the agreements were cancelled as of December 31, 2014. The Company had no additional or return commissions predicted on loss experience or any other forms of profit sharing agreements included in this annual statement as a result of existing contractual agreements. All contracts of reinsurance covering losses that have occurred prior to the inception of the contract (i.e. retroactive reinsurance) have been accounted for in conformity with NAIC guidelines.

**D. Uncollectible Reinsurance**

- (1) The Company has written off in the current year reinsurance balances due (from the companies listed below) in the amount of: \$57,400, which is reflected as:

a. Losses incurred	\$ 42,662
b. Loss adjustment expenses incurred	\$ 14,738
c. Premiums earned	\$
d. Other	\$
e.	
Company	<u>Amount</u>
AGF Assurances / Allianz IARD / R Fox	\$ 359
City International Insurance Co Ltd UK	\$ 49
ERC Frankona Re Ltd	\$ 387
EXCESS & CAS REINS ASSN	\$ (1,569)
Fuji Fire and Marine Ins Co	\$ 86
General Reinsurance Corporation	\$ 4,550
GICL 2013 / Minster Ins Co Ltd / R Fox	\$ 1,286
Gothaer Versicherungsbank VVaG	\$ 17,467
Moorgate Insurance Company Limited	\$ 86
New Zealand / CGU Bonus Limited / R Fox	\$ 4,646
Nissan Fire and Marine Ins Co Ltd	\$ 4,205
QBE Reinsurance (UK) Limited / R Fox	\$ 817
Yosemite Insurance Company	\$ 25,030

**E. Commutation of Ceded Reinsurance**

The Company has reported in its operations in the current year as a result of commutation of reinsurance with the companies listed below, amounts that are reflected as:

(1) Losses incurred	\$ (86,794)
(2) Loss adjustment expenses incurred	\$
(3) Premiums earned	\$
(4) Other	\$
(5)	
Company	<u>Amount</u>
IACM	\$ 77,901
Equitas	\$ 2,932,913
ACE / INA	\$ 585,105

**F. Retroactive Reinsurance**

- (1)

	<u>Reported Company</u>	
	<u>Assumed</u>	<u>Ceded</u>
As:		
a. Reserves Transferred:		
1. Initial Reserves	\$	\$ 23,000,000
2. Adjustments - Prior Year(s)		1,213,720
3. Adjustments - Current Year		(24,213,720)
4. Current Total	\$ 0	\$ 0
b. Consideration Paid or Received:		
1. Initial Consideration	\$	\$ 23,000,000
2. Adjustments - Prior Year(s)		
3. Adjustments - Current Year		
4. Current Total	\$ 0	\$ 23,000,000
c. Paid Losses Reimbursed or Recovered:		
1. Prior Year (s)	\$ 0	\$ 0
2. Current Year		
3. Current Total	\$ 0	\$ 0
d. Special Surplus from Retroactive Reinsurance:		
1. Initial Surplus Gain or Loss	\$	\$
2. Adjustments - Prior Year(s)		
3. Adjustments - Current Year		
4. Current Year Restricted Surplus		0
5. Cumulative Total Transferred to Unassigned Funds	\$	\$ 0

- e. All cedents and reinsurers involved in all transactions included in summary totals above:

<u>Company</u>	<u>Assumed Amount</u>	<u>Ceded Amount</u>
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# ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton Insurance Company

f. On December 3, 2009, Columbia Insurance Company, an indirect subsidiary of Berkshire Hathaway Inc. and an affiliate of National Indemnity Company ("NICO") entered into a stock purchase agreement with Stonewall Acquisition Corporation and certain of its affiliates to acquire all of the outstanding capital stock of Stonewall Insurance Company from Stonewall Acquisition Corporation. Seaton was also owned by Stonewall Acquisition Corp. The sale transaction closed on April 7, 2010. In conjunction with this sale transaction, the aggregate reinsurance agreements between Seaton and NICO were commuted on April 7, 2010. The commutation proceeds will be paid by NICO to the Company over a five-year period under the terms of a Promissory Note. Concurrent with this commutation, the Company entered into a retroactive reinsurance agreement with Fitzwilliam Insurance Ltd, an affiliate of Enstar Group Limited.

- G. Reinsurance Accounted for as a Deposit  
Not Applicable
- H. Disclosures for the Transfer of Property and Casualty Run-off Agreements-NONE
- I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation-NONE

**24. Retrospectively Rated Contracts & Contracts Subject to Redetermination**  
Not Applicable

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

Due to the run-off status of the Company, any and all incurred changes are attributable to insured events of the prior years. Net reserves for losses and allocated loss adjustment expenses attributable to insured events of prior years has decreased by \$25,646,356 from \$52,732,652 in 2013 to \$27,086,296 in 2014 as a result of loss and allocated expense payments. Net incurred loss and ALE was \$(33,733,291). This long tail business is primarily related to Asbestos, Environment and other Mass Tort claims.

**26. Intercompany Pooling Arrangements**  
Not Applicable

**27. Structured Settlements**  
Not Applicable

**28. Health Care Receivables**  
Not Applicable

**29. Participating Policies**  
Not Applicable

**30. Premium Deficiency Reserves**  
Not Applicable

**31. High Deductibles**  
Not Applicable

**32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses**  
Not Applicable

**33. Asbestos/Environmental Reserves**

A. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to asbestos losses? Yes ( X ) No ( )

(1) Direct -

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
a. Beginning reserves:	\$ 69,852,824	\$ 31,729,385	\$ 22,060,246	\$ 15,763,000	\$ 9,287,418
b. Incurred losses and loss adjustment expense:	\$ (16,338,982)	\$ 2,216,484	\$ 5,807,945	\$ (6,013,651)	\$ (1,464,942)
c. Calendar year payments for losses and loss adjustment expenses:	\$ 21,784,457	\$ 11,885,623	\$ 12,105,191	\$ 461,931	\$ 2,651,758
d. Ending reserves:	\$ 31,729,385	\$ 22,060,246	\$ 15,763,000	\$ 9,287,418	\$ 5,170,719

(2) Assumed Reinsurance -

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
a. Beginning reserves:	\$ 63,013,306	\$ 50,119,562	\$ 34,230,254	\$ 29,049,000	\$ 20,138,122
b. Incurred losses and loss adjustment expense:	\$ (9,487,189)	\$ (9,624,654)	\$ 3,418,163	\$ 3,232,380	\$ (7,063,118)
c. Calendar year payments for losses and loss adjustment expenses:	\$ 3,406,555	\$ 6,264,654	\$ 8,599,417	\$ 12,143,258	\$ 5,402,610
d. Ending reserves:	\$ 50,119,562	\$ 34,230,254	\$ 29,049,000	\$ 20,138,122	\$ 7,672,395

(3) Net of Ceded Reinsurance -

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
a. Beginning reserves:	\$ 84,118,336	\$ 52,916,555	\$ 49,076,499	\$ 33,667,999	\$ 24,494,656
b. Incurred losses and loss adjustment expense:	\$ (17,922,079)	\$ 3,954,031	\$ 3,476,334	\$ (7,025,946)	\$ (9,541,210)
c. Calendar year payments for losses and loss adjustment expenses:	\$ 13,279,702	\$ 7,794,087	\$ 18,884,834	\$ 2,147,397	\$ 5,969,365
d. Ending reserves:	\$ 52,916,555	\$ 49,076,499	\$ 33,668,000	\$ 24,494,656	\$ 8,984,081

B. State the amount of the ending reserves for Bulk + IBNR included in A (Loss & LAE):

(1) Direct Basis:	\$ 96,500
(2) Assumed Reinsurance Basis:	\$ 5,491,000
(3) Net of Ceded Reinsurance Basis:	\$ 5,119,563

C. State the amount of the ending reserves for loss adjustment expenses included in A (Case, Bulk + IBNR):

(1) Direct Basis:	\$
(2) Assumed Reinsurance Basis:	\$
(3) Net of Ceded Reinsurance Basis:	\$

D. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to environmental losses? Yes ( X ) No ( )

(1) Direct -

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
a. Beginning reserves:	\$ 6,358,875	\$ 2,691,201	\$ 3,392,078	\$ 4,302,000	\$ 2,703,048
b. Incurred losses and loss adjustment expense:	\$ 2,988,545	\$ 1,153,880	\$ 1,458,497	\$ 381,649	\$ (122,694)
c. Calendar year payments for losses and loss adjustment expenses:	\$ 6,656,219	\$ 453,003	\$ 548,575	\$ 1,980,601	\$ 1,063,338
d. Ending reserves:	\$ 2,691,201	\$ 3,392,078	\$ 4,302,000	\$ 2,703,048	\$ 1,517,016

(2) Assumed Reinsurance -

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
a. Beginning reserves:	\$ 8,049,480	\$ 8,258,781	\$ 9,886,469	\$ 7,633,000	\$ 6,060,714
b. Incurred losses and loss adjustment expense:	\$ 2,114,165	\$ 2,252,081	\$ 265,010	\$ (472,766)	\$ (659,730)
c. Calendar year payments for losses and loss adjustment expenses:	\$ 1,904,864	\$ 624,393	\$ 2,518,479	\$ 1,099,520	\$ 992,763
d. Ending reserves:	\$ 8,258,781	\$ 9,886,469	\$ 7,633,000	\$ 6,060,714	\$ 4,408,222

(3) Net of Ceded Reinsurance -

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
a. Beginning reserves:	\$ 12,920,587	\$ 7,547,993	\$ 12,967,247	\$ 11,142,000	\$ 8,660,017
b. Incurred losses and loss adjustment expense:	\$ 2,597,330	\$ 6,433,291	\$ 1,241,807	\$ (1,111,321)	\$ (825,545)
c. Calendar year payments for losses and loss adjustment expenses:	\$ 7,969,924	\$ 1,014,037	\$ 3,067,054	\$ 1,370,662	\$ 2,063,819
d. Ending reserves:	\$ 7,547,993	\$ 12,967,247	\$ 11,142,000	\$ 8,660,017	\$ 5,770,654

E. State the amount of the ending reserves for Bulk + IBNR included in D (Loss & LAE):

(1) Direct Basis:	\$ 631,500
(2) Assumed Reinsurance Basis:	\$ 2,373,000
(3) Net of Ceded Reinsurance Basis:	\$ 2,986,756

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton Insurance Company**

F. State the amount of the ending reserves for loss adjustment expenses included in D (Case, Bulk + IBNR):

(1)	Direct Basis:	\$ .....
(2)	Assumed Reinsurance Basis:	\$ .....
(3)	Net of Ceded Reinsurance Basis:	\$ .....

**34. Subscriber Savings Accounts**  
Not Applicable

**35. Multiple Peril Crop Insurance**  
Not Applicable

**36. Financial Guaranty Insurance**  
None

# 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 [  ] No [  ]  
 If yes, complete Schedule Y, Parts 1, 1A and 2.
- 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 [  ] No [  ] N/A [  ]
- 1.3 State Regulating? Rhode Island.....
- 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 [  ]
- 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. .....12/31/2013
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .....12/31/2008
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .....05/12/2010
- 3.4 By what department or departments? Rhode Island Department of Business Regulation.....
- 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 [  ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [  ] No [  ] N/A [  ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [  ] No [  ]
- 4.12 renewals? Yes [  ] 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 [  ] No [  ]
- 4.22 renewals? Yes [  ] No [  ]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [  ] No [  ]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [  ] No [  ]
- 6.2 If yes, give full information see attached .....
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [  ] No [  ]
- 7.2 If yes, .....100.0
- 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, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
Bermuda.....	Corporation.....

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton 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 [ ] No [ X ]  
 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
 KPMG, 345 Park Ave., New York, NY 10154.....
- 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 [ ] No [ X ] N/A [ ]  
 10.6 If the response to 10.5 is no or n/a, please explain  
 The Board of Directors serves as and performs the duties of an Audit Committee.....
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 C. Votta, Consulting Actuary, Ernst & Young LLP, 5 Times Square, New York, NY 10036-6530.....
- 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?  
 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.  
 Yes [ X ] No [ ]
- 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 or is likely to 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 [ X ] No [ ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....6,735,183

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)
- 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 [ ] NA [ 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 [ ] NA [ X ]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] NA [ 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 [ ] NA [ X ]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....
  - 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....
  - 24.103 Total payable for securities lending reported on the liability page \$.....

## GENERAL INTERROGATORIES

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 Placed under option agreements	\$ .....
25.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock	\$ .....
25.27 FHLB Capital Stock	\$ .....
25.28 On deposit with states	\$ .....3,526,532
25.29 On deposit with other regulatory bodies	\$ .....
25.30 Pledged as collateral – excluding collateral pledged to an FHLB	\$ .....
25.31 Pledged as collateral to FHLB – including assets backing funding agreements	\$ .....
25.32 Other	\$ .....

25.3 For category (25.26) 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
Bank of New York Mellon.....	BNY Mellon Center, 500 Grant Street, Pittsburgh, PA 15258.....

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

## GENERAL INTERROGATORIES

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

1 Central Registration Depository Number(s)	2 Name	3 Address
107423.....	Conning Asset Management.....	One Financial Plaza, Hartford, CT, 06103-2627.....

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		0

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.....	29,570,680	29,676,113	105,433
30.2 Preferred Stocks.....	0		0
30.3 Totals	29,570,680	29,676,113	105,433

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

SVO unit prices were used to determine FMV. For other Bonds and Stocks not priced by SVO, the Company used price provided by interactive data and/or price provided by the custodian.....

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [ X ] No [ ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [ X ] 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? \$ .....9,445
- 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
.....	\$.....
.....	\$.....
.....	\$.....

- 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
.....	\$.....
.....	\$.....
.....	\$.....

Response to 6.1

Effective May 29, 2008 the Rhode Island Department of Business Regulation issued a confidential order creating State of Supervision and Appointment of Supervisor. The Company remains under this order of Supervision.

Effective June 23, 2004 Ohio Department of Insurance suspended the Company's Certificate of Authority.

Effective April 30, 2008 Missouri Department of Insurance suspended the Company's Certificate of Authority.

Effective May 29, 2008 Arkansas Insurance Department suspended the Company's Certificate of Authority due to domiciliary state placing company into administrative supervision.

Effective April 13, 2009 the Company surrendered its Certificate of authority for the State of Maine.

Effective April 20, 2009 the Commonwealth of Virginia suspended the Company's license.

Effective May 18, 2009 the company agreed to a two year suspension of its Certificate of Authority by the State of Tennessee.

Effective October 15, 2010 the State of Illinois, Department of Insurance revoked the Company's Certificate of Authority.

Effective July 3, 2013 the State of Utah revoked the Company's Certificate of Authority.

**GENERAL INTERROGATORIES**  
**PART 2 - PROPERTY & 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. .... \$ .....0  
 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 ..... \$ .....0  
 1.62 Total incurred claims ..... \$ .....0  
 1.63 Number of covered lives ..... .....

All years prior to most current three years:

1.64 Total premium earned ..... \$ .....0  
 1.65 Total incurred claims ..... \$ .....0  
 1.66 Number of covered lives ..... .....

1.7 Group policies:

Most current three years:

1.71 Total premium earned ..... \$ .....0  
 1.72 Total incurred claims ..... \$ .....0  
 1.73 Number of covered lives ..... .....

All years prior to most current three years:

1.74 Total premium earned ..... \$ .....0  
 1.75 Total incurred claims ..... \$ .....0  
 1.76 Number of covered lives ..... .....

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$ .....0	\$	.....0
2.2	Premium Denominator	\$ .....26,446	\$	.....2,426
2.3	Premium Ratio (2.1/2.2)	.....0.000		.....0.000
2.4	Reserve Numerator	\$ .....0	\$	.....0
2.5	Reserve Denominator	\$ .....40,318,681	\$	.....91,020,222
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 & 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 Company is in run-off and has no inforce policies, therefore has no need for new reinsurance agreements.....
- 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: .....  
 Not Applicable.....
- 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?.....  
 Not Applicable.....
- 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 [ ] No [ X ]
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss  
 The Company is in run-off and has no need for catastrophic reinsurance protection.....
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?..... Yes [ ] No [ X ]
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.....
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?..... Yes [ ] No [ ]
- 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 [ X ] No [ ]
- 8.2 If yes, give full information  
 The Company commuted ceded reinsurance treaty with three cedants. See list in note 23E.....
- 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 [ X ] No [ ]
- 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 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:  
 (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or  
 (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [ ] No [ X ]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:  
 (a) The entity does not utilize reinsurance; or, Yes [ ] No [ X ]  
 (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [ ] No [ X ]  
 (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [ ] No [ X ]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such 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 [X] No [ ] N/A [ ]

**GENERAL INTERROGATORIES  
PART 2 - PROPERTY & 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 that 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 [ X ]
- 12.6 If yes, state the amount thereof at December 31 of current year:
- 12.61 Letters of Credit..... \$.....
- 12.62 Collateral and other funds..... \$.....
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):..... \$.....
- 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. ....
- 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	2	3	4	5
	Direct Losses Incurred	Direct Losses Unpaid	Direct Written Premium	Direct Premium Unearned	Direct Premium Earned
16.11 Home.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
16.12 Products.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
16.13 Automobile.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
16.14 Other*.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....

\* Disclose type of coverage:

**GENERAL INTERROGATORIES  
PART 2 - PROPERTY & 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 – Part 3 and excluded from Schedule F – Part 5, not included above.

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

- 18.1 Do you act as a custodian for health savings 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 the funds administered as of the reporting date. .... \$.....

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton 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 2014	2 2013	3 2012	4 2011	5 2010
<b>Gross Premiums Written</b> (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	26,446	2,426	(32)	0	2,422
6. Total (Line 35)	26,446	2,426	(32)	0	2,422
<b>Net Premiums Written</b> (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	26,446	2,426	(32)	0	2,431
12. Total (Line 35)	26,446	2,426	(32)	0	2,431
<b>Statement of Income</b> (Page 4)					
13. Net underwriting gain (loss) (Line 8)	33,187,214	(1,613,255)	(15,902,953)	(1,590,818)	8,722,974
14. Net investment gain (loss) (Line 11)	431,326	543,797	570,739	512,077	1,394,423
15. Total other income (Line 15)	(24,205,580)	734,117	12,544,700	(1,157,087)	(10,949,412)
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	217,719	0	0	0	(3,075,106)
18. Net income (Line 20)	9,195,241	(335,341)	(2,787,514)	(2,235,828)	2,243,091
<b>Balance Sheet Lines</b> (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	62,529,710	79,690,525	90,696,105	124,139,155	133,359,070
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	0	0	0	0	0
20.2 Deferred and not yet due (Line 15.2)	0	0	0	0	0
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	43,365,271	71,553,502	82,450,082	115,247,466	123,849,082
22. Losses (Page 3, Line 1)	24,958,163	47,279,101	71,411,859	85,044,463	102,841,910
23. Loss adjustment expenses (Page 3, Line 3)	10,555,033	14,949,343	15,621,939	14,836,570	14,008,884
24. Unearned premiums (Page 3, Line 9)	0	0	0	0	0
25. Capital paid up (Page 3, Lines 30 & 31)	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
26. Surplus as regards policyholders (Page 3, Line 37)	19,164,440	8,137,023	8,246,019	8,891,690	9,509,988
<b>Cash Flow</b> (Page 5)					
27. Net cash from operations (Line 11)	(22,806,554)	8,435,950	24,874,115	(7,418,494)	(31,062,149)
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital	19,164,440	8,137,023	8,246,019	8,891,690	9,509,988
29. Authorized control level risk-based capital	8,315,676	13,767,324	18,827,748	21,207,400	24,944,790
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	54.9	46.5	52.7	54.7	29.4
31. Stocks (Lines 2.1 & 2.2)	0.0	0.0	0.0	0.0	0.0
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5)	45.1	52.9	47.3	45.3	70.7
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7)	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8)	0.0	0.0	0.0	0.0	0.0
38. Receivables for securities (Line 9)	0.0	0.6	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10)	0.0	0.0	0.0	0.0	0.0
40. Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
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, (Sch. D, Summary, Line 12, Col. 1)	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	0	0	0	0	0
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
46. Affiliated mortgage loans on real estate	0	0	0	0	0
47. All other affiliated	0	0	0	0	0
48. Total of above Lines 42 to 47	0	0	0	0	0
49. Total Investment in parent included in Lines 42 to 47 above	0	0	0	0	0
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	0.0	0.0	0.0	0.0	0.0

**FIVE-YEAR HISTORICAL DATA**

(Continued)

	1 2014	2 2013	3 2012	4 2011	5 2010
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24) .....	0	0	0	0	150,124
52. Dividends to stockholders (Line 35) .....	0	0	0	0	0
53. Change in surplus as regards policyholders for the year (Line 38) .....	11,027,417	(108,997)	(645,670)	(618,299)	3,496,423
<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) .....	4,554,918	4,780,077	13,656,084	12,940,193	33,498,776
55. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	(615)	(1,343)	(480)	(2,036)	(41,575)
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	474,779	205,776	591,794	(445,513)	349,068
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	(29)	(43)	(41)	0
58. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	(11,361,078)	20,065,643	14,641,194	12,793,528	8,931,649
59. Total (Line 35) .....	(6,331,996)	25,050,125	28,888,550	25,286,130	42,737,918
<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) .....	2,746,850	2,837,282	8,353,001	5,700,054	20,142,220
61. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	0	0	0	0	0
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	0	0	0	0	0
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	0	0	0
64. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	(13,950,125)	18,271,150	12,676,150	8,510,182	5,555,826
65. Total (Line 35) .....	(11,203,275)	21,108,432	21,029,150	14,210,236	25,698,046
<b>Operating Percentages (Page 4)</b> (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1) .....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2) .....	(126,765.2)	(124,663.1)	(23,114,207.3)	0.0	(275,385.7)
68. Loss expenses incurred (Line 3) .....	(790.6)	162,284.0	(22,690,086.4)	0.0	(136,129.6)
69. Other underwriting expenses incurred (Line 4) .....	2,164.9	28,977.6	(3,892,335.2)	0.0	52,792.7
70. Net underwriting gain (loss) (Line 8) .....	125,490.9	(66,498.5)	49,696,728.9	0.0	358,822.5
<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) .....	93,693.5	(1,282.8)	35,309,852.3	0.0	503,200.5
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0) .....	(127,555.7)	37,620.9	(45,804,293.7)	0.0	(411,515.2)
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) .....	0.1	0.0	0.0	0.0	0.0
<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) .....	(33,733)	913	9,795	(132)	(10,768)
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) .....	(414.6)	11.1	110.2	(1.4)	(179.1)
<b>Two Year Loss Development (000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12) .....	(32,821)	10,708	9,663	(10,900)	(8,136)
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) .....	(398.0)	120.4	101.6	(181.3)	(244.4)

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

**SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES**  
**SCHEDULE P - PART 1 - SUMMARY**

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	(6,332)	4,871	5,126	2,010	1,069	0	0	(7,018)	XXX
2. 2005	0	0	0	0	0	0	0	0	0	0	0	XXX
3. 2006	0	0	0	0	0	0	0	0	0	0	0	XXX
4. 2007	0	0	0	0	0	0	0	0	0	0	0	XXX
5. 2008	0	0	0	0	0	0	0	0	0	0	0	XXX
6. 2009	0	0	0	0	0	0	0	0	0	0	0	XXX
7. 2010	2	0	2	0	0	0	0	0	0	0	0	XXX
8. 2011	0	0	0	0	0	0	0	0	0	0	0	XXX
9. 2012	0	0	0	0	0	0	0	0	0	0	0	XXX
10. 2013	2	0	2	0	0	0	0	0	0	0	0	XXX
11. 2014	26	0	26	0	0	0	0	0	0	0	0	XXX
12. Totals	XXX	XXX	XXX	(6,332)	4,871	5,126	2,010	1,069	0	0	(7,018)	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. ....	20,544	12,876	33,691	16,401	2,134	6	2,543	2,543	8,427	0	0	35,513	XXX
2. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
3. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
4. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
5. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
7. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
8. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
9. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
10. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
11. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
12. ....	20,544	12,876	33,691	16,401	2,134	6	2,543	2,543	8,427	0	0	35,513	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. ....	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	24,958	10,555
2. ....	0	0	0	0.0	0.0	0.0	0	0	0	0	0
3. ....	0	0	0	0.0	0.0	0.0	0	0	0	0	0
4. ....	0	0	0	0.0	0.0	0.0	0	0	0	0	0
5. ....	0	0	0	0.0	0.0	0.0	0	0	0	0	0
6. ....	0	0	0	0.0	0.0	0.0	0	0	0	0	0
7. ....	0	0	0	0.0	0.0	0.0	0	0	0	0	0
8. ....	0	0	0	0.0	0.0	0.0	0	0	0	0	0
9. ....	0	0	0	0.0	0.0	0.0	0	0	0	0	0
10. ....	0	0	0	0.0	0.0	0.0	0	0	0	0	0
11. ....	0	0	0	0.0	0.0	0.0	0	0	0	0	0
12. ....	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	24,958	10,555

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 2014 OF THE Seaton 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	2	3	4	5	6	7	8	9	10	11	12
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	One Year	Two Year
1. Prior	224,038	237,763	247,082	265,781	268,413	257,645	257,513	267,308	268,221	234,488	(33,733)	(32,821)
2. 2005	0	0	0	0	0	0	0	0	0	0	0	0
3. 2006	XXX	0	0	0	0	0	0	0	0	0	0	0
4. 2007	XXX	XXX	0	0	0	0	0	0	0	0	0	0
5. 2008	XXX	XXX	XXX	0	0	0	0	0	0	0	0	0
6. 2009	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0	0
7. 2010	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	XXX
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX
<b>12. Totals</b>											<b>(33,733)</b>	<b>(32,821)</b>

**SCHEDULE P - PART 3 - SUMMARY**

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014		
1. Prior	000	34,705	62,501	110,762	119,807	149,381	165,190	190,825	215,488	207,401	XXX	XXX
2. 2005	0	0	0	0	0	0	0	0	0	0	XXX	XXX
3. 2006	XXX	0	0	0	0	0	0	0	0	0	XXX	XXX
4. 2007	XXX	XXX	0	0	0	0	0	0	0	0	XXX	XXX
5. 2008	XXX	XXX	XXX	0	0	0	0	0	0	0	XXX	XXX
6. 2009	XXX	XXX	XXX	XXX	0	0	0	0	0	0	XXX	XXX
7. 2010	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	XXX	XXX
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	XXX	XXX
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	XXX	XXX
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	XXX
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX

**SCHEDULE P - PART 4 - SUMMARY**

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
1. Prior	112,845	92,988	78,288	63,990	58,633	49,036	42,567	40,376	31,790	17,290
2. 2005	0	0	0	0	0	0	0	0	0	0
3. 2006	XXX	0	0	0	0	0	0	0	0	0
4. 2007	XXX	XXX	0	0	0	0	0	0	0	0
5. 2008	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2009	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2010	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton 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 Premium Written for Federal Purchasing Groups (Included in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	N	.0	.0	.0	3,460	36,153	.0	.0
2. Alaska	AK	N	.0	.0	.0	.0	.0	.0	.0
3. Arizona	AZ	L	.0	.0	72,213	(102,842)	2,206,834	.0	.0
4. Arkansas	AR	L	.0	.0	.0	9,029	218,745	.0	.0
5. California	CA	L	.0	.0	2,589,250	1,702,602	17,196,416	.0	.0
6. Colorado	CO	L	.0	.0	117	(2,137)	78,716	.0	.0
7. Connecticut	CT	L	.0	.0	7,069	19,029	221,680	.0	.0
8. Delaware	DE	L	.0	.0	.0	1,501	36,457	.0	.0
9. Dist. Columbia	DC	L	.0	.0	8,727	(2,410)	33,855	.0	.0
10. Florida	FL	N	.0	.0	.0	6,886	283,642	.0	.0
11. Georgia	GA	N	.0	.0	.0	.0	.0	.0	.0
12. Hawaii	HI	N	.0	.0	.0	.0	.0	.0	.0
13. Idaho	ID	L	.0	.0	(592)	(592)	.0	.0	.0
14. Illinois	IL	N	.0	.0	13,867	10,115	370,660	.0	.0
15. Indiana	IN	L	.0	.0	.0	.0	.0	.0	.0
16. Iowa	IA	N	.0	.0	.0	.0	.0	.0	.0
17. Kansas	KS	L	.0	.0	.0	.0	.0	.0	.0
18. Kentucky	KY	N	.0	.0	.0	.0	.0	.0	.0
19. Louisiana	LA	N	.0	.0	.0	.0	.0	.0	.0
20. Maine	ME	N	.0	.0	3,314	148	10,908	.0	.0
21. Maryland	MD	L	.0	.0	408	(1,775)	635	.0	.0
22. Massachusetts	MA	L	.0	.0	.0	.0	.0	.0	.0
23. Michigan	MI	L	.0	.0	.0	.0	.0	.0	.0
24. Minnesota	MN	L	.0	.0	.0	.0	.0	.0	.0
25. Mississippi	MS	N	.0	.0	.0	.0	.0	.0	.0
26. Missouri	MO	L	.0	.0	.0	.0	.0	.0	.0
27. Montana	MT	L	.0	.0	.0	116	4,176	.0	.0
28. Nebraska	NE	N	.0	.0	.0	.0	.0	.0	.0
29. Nevada	NV	N	.0	.0	.0	.0	.0	.0	.0
30. New Hampshire	NH	L	.0	.0	.0	.0	.0	.0	.0
31. New Jersey	NJ	N	.0	.0	4,972	18,321	204,644	.0	.0
32. New Mexico	NM	N	.0	.0	.0	.0	.0	.0	.0
33. New York	NY	L	.0	.0	1,516,133	63,479	3,654,966	.0	.0
34. No. Carolina	NC	L	.0	.0	.0	.0	.0	.0	.0
35. No. Dakota	ND	N	.0	.0	.0	.0	.0	.0	.0
36. Ohio	OH	L	.0	.0	.0	.0	.0	.0	.0
37. Oklahoma	OK	L	.0	.0	.0	.0	.0	.0	.0
38. Oregon	OR	L	.0	.0	(56)	147,205	518,653	.0	.0
39. Pennsylvania	PA	L	.0	.0	8,052	(28,552)	256,480	.0	.0
40. Rhode Island	RI	L	.0	.0	.0	.0	.0	.0	.0
41. So. Carolina	SC	N	.0	.0	.0	36,457	36,457	.0	.0
42. So. Dakota	SD	N	.0	.0	.0	.0	.0	.0	.0
43. Tennessee	TN	L	.0	.0	.0	.0	4	.0	.0
44. Texas	TX	L	.0	.0	332,820	(1,373,031)	570,620	.0	.0
45. Utah	UT	N	.0	.0	11,401	74,327	164,366	.0	.0
46. Vermont	VT	N	.0	.0	.0	.0	.0	.0	.0
47. Virginia	VA	L	.0	.0	.0	.0	.0	.0	.0
48. Washington	WA	L	.0	.0	460,800	1,960,949	7,538,236	.0	.0
49. West Virginia	WV	N	.0	.0	.0	.0	.0	.0	.0
50. Wisconsin	WI	L	.0	.0	.0	.0	.0	.0	.0
51. Wyoming	WY	N	.0	.0	.0	.0	.0	.0	.0
52. American Samoa	AS	N	.0	.0	.0	.0	.0	.0	.0
53. Guam	GU	Q	.0	.0	.0	.0	.0	.0	.0
54. Puerto Rico	PR	N	.0	.0	.0	.0	.0	.0	.0
55. U.S. Virgin Islands	VI	N	.0	.0	.0	.0	.0	.0	.0
56. Northern Mariana Islands	MP	N	.0	.0	.0	.0	.0	.0	.0
57. Canada	CAN	L	.0	.0	.0	.0	.0	.0	.0
58. Aggregate other alien	OT	XXX	.0	.0	.0	.0	.0	.0	.0
59. Totals	(a) 29		0	0	0	5,028,495	2,542,285	33,643,303	0
<b>DETAILS OF WRITE-INS</b>									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Sum. of remaining write-ins for Line 58 from overflow page	XXX		.0	.0	.0	.0	.0	.0	.0
58999. Totals (Lines 58001 through 58003 + 58998) (Line 58 above)	XXX		0	0	0	0	0	0	0

(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.

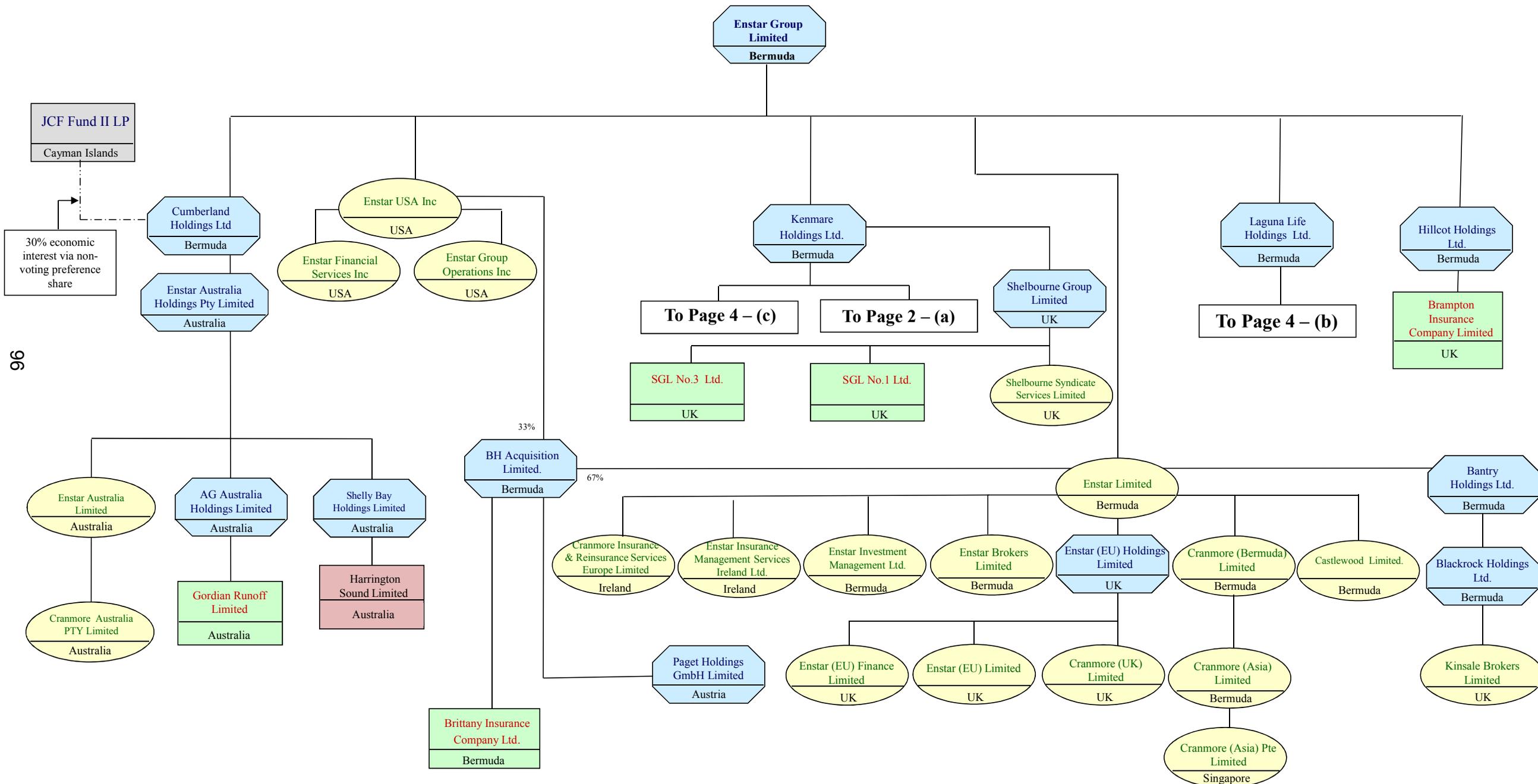
**Explanation of basis of allocation of premiums by states, etc.**

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

- Holding Companies
- Service Companies
- Insurance and Reinsurance Companies
- Non-regulated Companies
- Representative Companies

Part 1 – Organizational Chart

# Enstar Group Limited



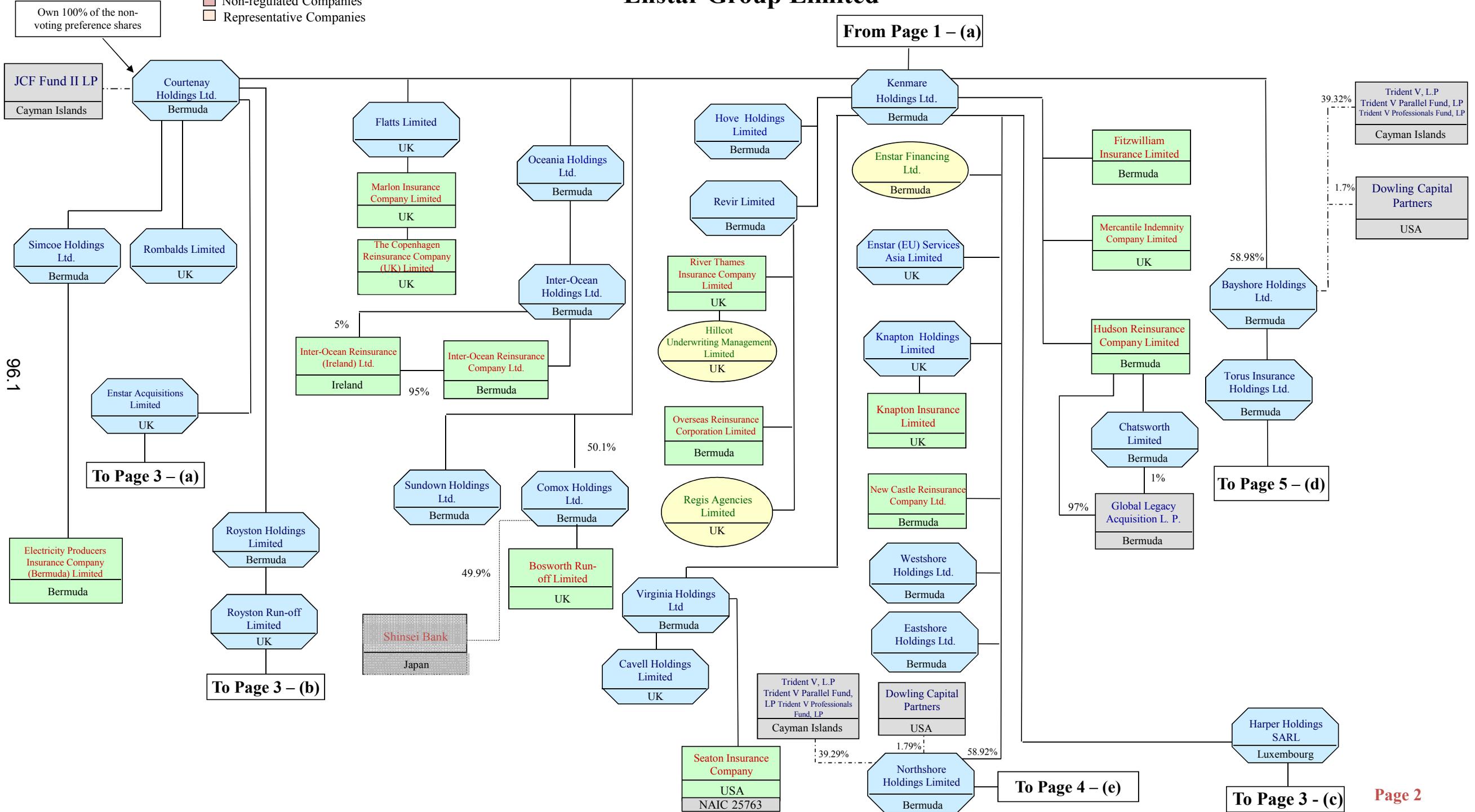
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**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton Insurance Company**  
**Schedule Y- Information concerning activities of insurer members of a holding company group**

**Part 1 – Organizational Chart**

**Enstar Group Limited**

- Holding Companies
- Service Companies
- Insurance and Reinsurance Companies
- Non-regulated Companies
- Representative Companies

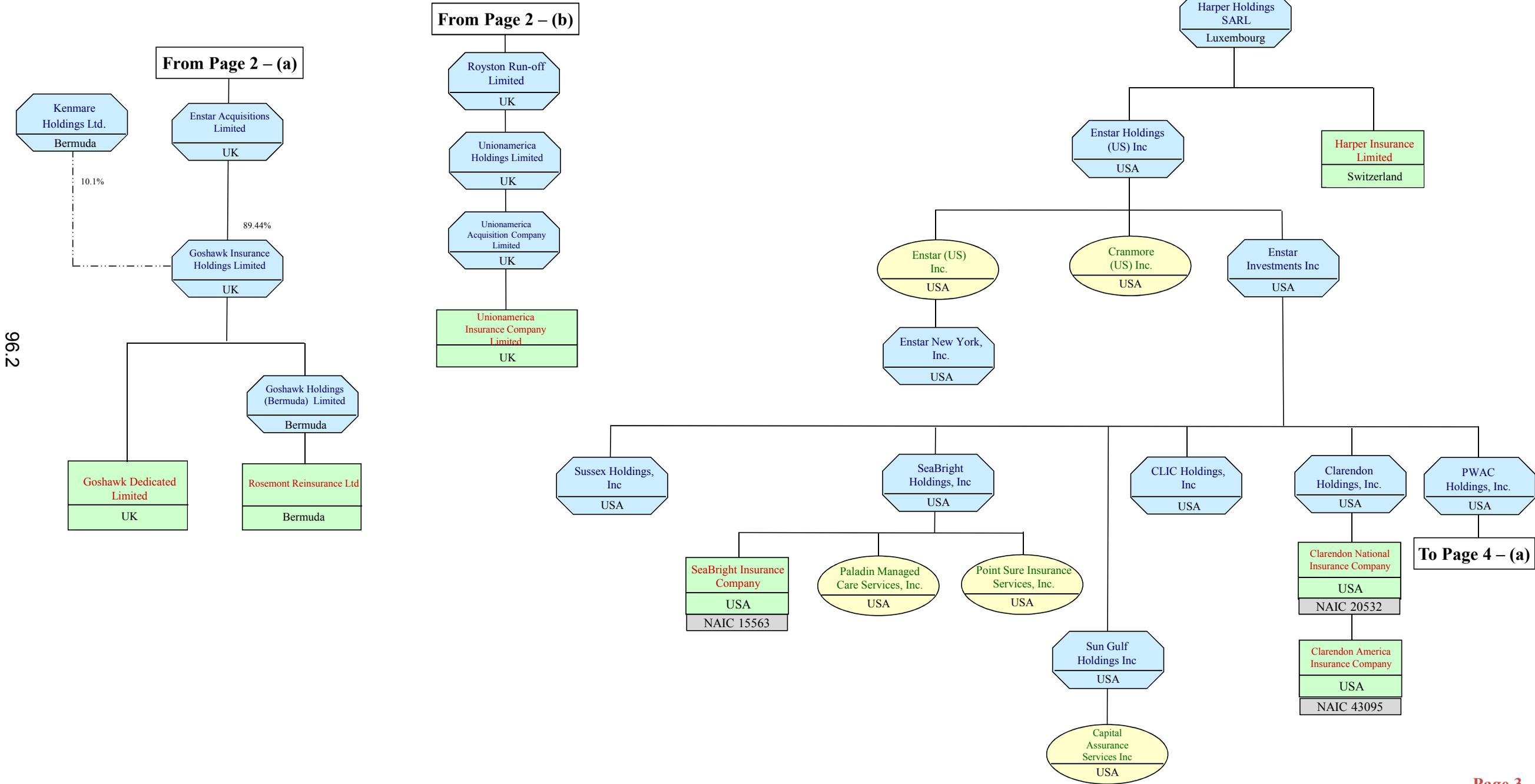


- Holding Companies
- Service Companies
- Insurance and Reinsurance Companies
- Non-regulated Companies
- Representative Companies

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton Insurance Company**  
**Schedule Y- Information concerning activities of insurer members of a holding company group**

**Part 1 – Organizational Chart**

# Enstar Group Limited

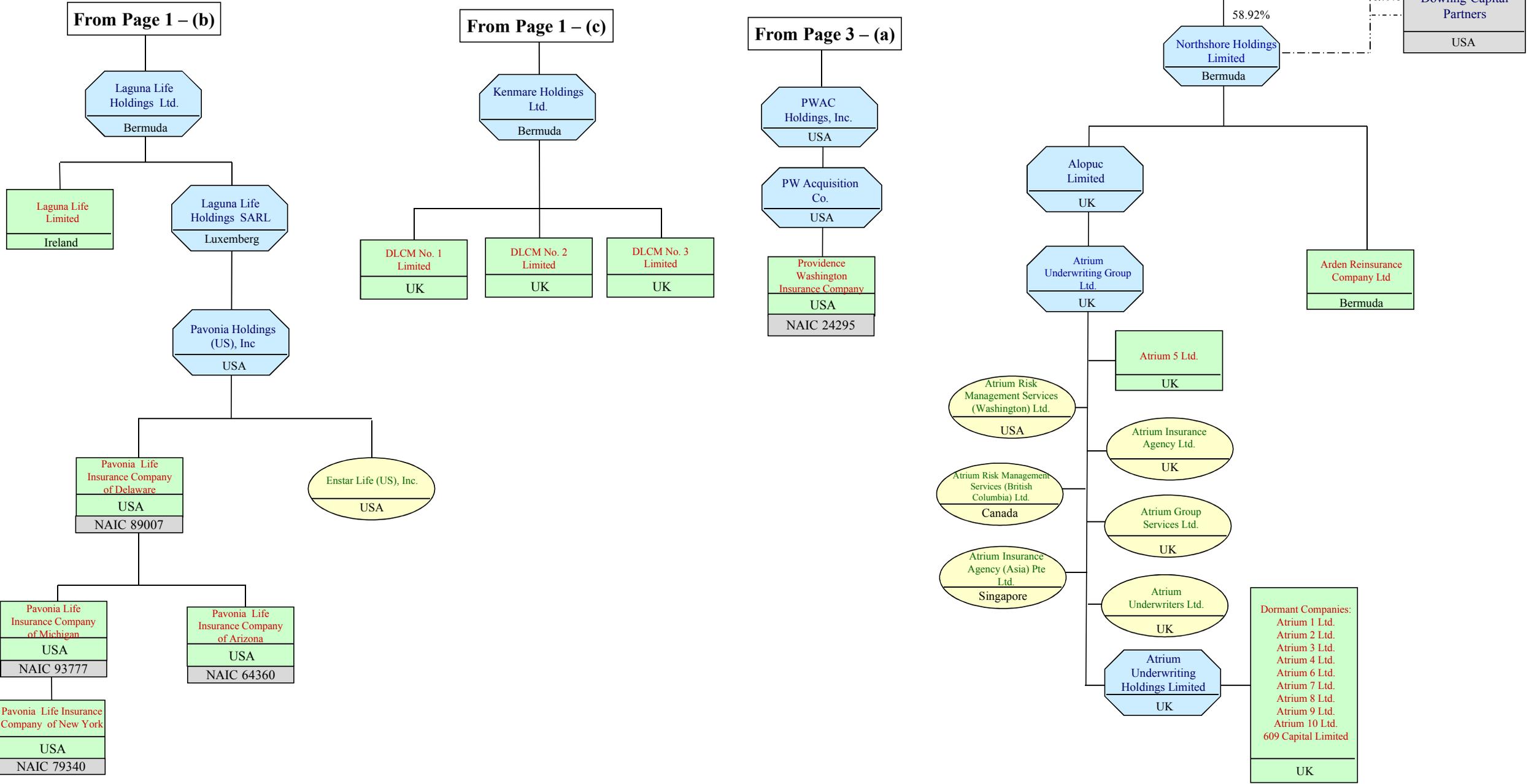


96.2

**ANNUAL STATEMENT FOR THE YEAR 2014 OF THE Seaton Insurance Company**  
**Schedule Y- Information concerning activities of insurer members of a holding company group**  
**Part 1 – Organizational Chart**

# Enstar Group Limited

- Holding Companies
- Service Companies
- Insurance and Reinsurance Companies
- Non-regulated Companies
- Representative Companies



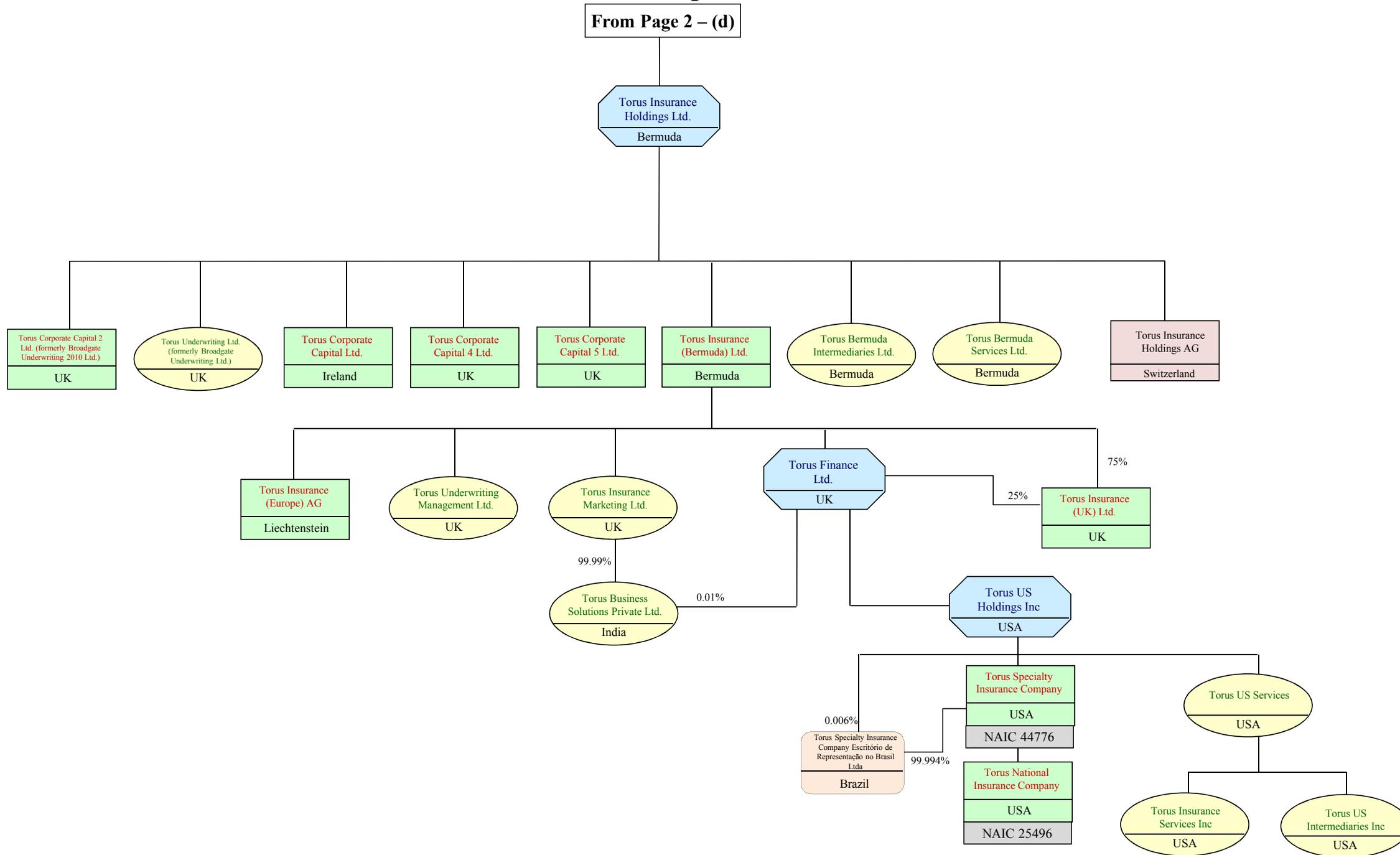
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Part 1 – Organizational Chart

**Enstar Group Limited**

- Holding Companies
- Service Companies
- Insurance and Reinsurance Companies
- Non-regulated Companies
- Representative Companies

From Page 2 – (d)



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