



ANNUAL STATEMENT

For the Year Ended December 31, 2010

OF THE CONDITION AND AFFAIRS OF THE

ST. PAUL FIRE AND MARINE INSURANCE COMPANY *

NAIC Group Code **3548** **3548** NAIC Company Code **24767** Employer's ID Number **41-0406690**
 (Current Period) (Prior Period)

**Organized under the Laws of Connecticut, State of Domicile or Port of Entry Connecticut,
Country of Domicile US**

INCORPORATED/ORGANIZED, APRIL 20, 1925 **COMMENCED BUSINESS, APRIL 22, 1925**

Statutory Home Office: **One Tower Square, Hartford, CT 06183**
 Main Administrative Office: **One Tower Square, Hartford, CT 06183 (860) 277-0111**
 Mail Address: **One Tower Square, Hartford, CT 06183**
 Primary Location of Books and Records: **385 Washington Street, St. Paul, MN 55102 (651) 310-7911**
 Internet Website Address: **www.travelers.com**
 Statutory Statement Contact: **Michael J. Doody (860) 277-3966**
Annual.Statement.Contact@travelers.com (860) 277-7002
 (E-Mail Address) (Fax Number)

OFFICERS

Name	Title	Name	Title
1. BRIAN WILLIAM MacLEAN	Chairman of the Board, President & Chief Executive Officer	# MARIA OLIVO	Executive Vice President, Strategic Development & Treasurer
2. JAY STEVEN BENET	Vice Chairman & Chief Financial Officer	DOREEN SPADORCIA	Executive Vice President, Claim
3. CHARLES JOSEPH CLARKE	Vice Chairman	KENNETH FRANKLIN SPENCE, III	Executive Vice President & General Counsel
4. WILLIAM HERBERT HEYMAN....	Vice Chairman & Chief Investment Officer	GREGORY CHESHIRE TOCZYDLOWSKI.....	Executive Vice President, Personal Insurance
5. ALAN DAVID SCHNITZER	Vice Chairman & Chief Legal Officer	DOUGLAS KEITH BELL.....	Senior Vice President, Accounting Standards
6. # JOHN JOSEPH ALBANO	Executive Vice President	DOUGLAS KENNETH RUSSELL.....	Senior Vice President & Corporate Controller
7. ANDY FRANCIS BESSETTE	Executive Vice President & Chief Administrative Officer	SCOTT WILLIAM RYNDA.....	Senior Vice President, Corporate Tax
8. JOHN PATRICK CLIFFORD, JR....	Executive Vice President, Human Resources	WENDY CONSTANCE SKJERVEN	Associate Group General Counsel, Corporate & Corporate Secretary
9. # WILLIAM EUGENE CUNNINGHAM, JR.	Executive Vice President, Business Insurance	SMITESH DAVÉ.....	Vice President & Chief Corporate Actuary
10. WILLIAM PATRICK HANNON.....	Executive Vice President, Enterprise Risk Management & Business Conduct Officer		

DIRECTORS

JAY STEVEN BENET	WILLIAM HERBERT HEYMAN	KENNETH FRANKLIN SPENCE, III
ANDY FRANCIS BESSETTE	BRIAN WILLIAM MacLEAN	GREGORY CHESHIRE TOCZYDLOWSKI
	DOREEN SPADORCIA	

* Domicile changed to Connecticut, effective December 15, 2010

STATE OF CONNECTICUT }
 COUNTY OF HARTFORD } ss:

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

 _____ Brian W. MacLean President	 _____ Wendy C. Skjerven Secretary	 _____ Douglas K. Russell Controller
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Subscribed and sworn to before me this

25th day of January, 2011

 Notary Public
 My Commission Expires September 30, 2012



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

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	10,839,088,635	0	10,839,088,635	11,904,130,041
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	6,580,400	0	6,580,400	6,466,540
2.2 Common stocks.....	3,526,386,359	12,496,547	3,513,889,812	3,404,214,658
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	45,226,315	0	45,226,315	56,481,054
3.2 Other than first liens.....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	87,085,622	0	87,085,622	90,662,202
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	603,027,931	0	603,027,931	624,733,237
4.3 Properties held for sale (less \$.....0 encumbrances).....	0	0	0	0
5. Cash (\$.....30,249,278, Sch. E-Part 1), cash equivalents (\$.....0, Sch. E-Part 2) and short-term investments (\$.....196,950,638, Sch. DA).....	227,199,915	0	227,199,915	336,900,569
6. Contract loans (including \$.....0 premium notes).....	0	0	0	0
7. Derivatives.....	0	0	0	0
8. Other invested assets (Schedule BA).....	820,529,634	9,318,173	811,211,461	655,995,974
9. Receivables for securities.....	0	0	0	45,000
10. Securities lending reinvested collateral assets.....	33,831,000	0	33,831,000	0
11. Aggregate write-ins for invested assets.....	(1,069,707)	0	(1,069,707)	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	16,187,886,105	21,814,720	16,166,071,384	17,079,629,275
13. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	138,171,219	0	138,171,219	149,186,664
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in course of collection.....	574,522,190	46,609,544	527,912,645	381,020,254
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....(6,446,770) earned but unbilled premiums).....	913,799,463	6,506,533	907,292,930	886,072,050
15.3 Accrued retrospective premiums.....	49,013,213	564,304	48,448,909	119,854,822
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	83,224,465	0	83,224,465	85,567,661
16.2 Funds held by or deposited with reinsured companies.....	21,384,765	0	21,384,765	23,784,339
16.3 Other amounts receivable under reinsurance contracts.....	0	0	0	0
17. Amounts receivable relating to uninsured plans.....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	0	0	0	19,138,283
18.2 Net deferred tax asset.....	546,139,292	181,628,793	364,510,499	380,815,377
19. Guaranty funds receivable or on deposit.....	2,731,046	0	2,731,046	4,547,279
20. Electronic data processing equipment and software.....	346,959	0	346,959	314,435
21. Furniture and equipment, including health care delivery assets (\$.....0).....	17,104,348	17,104,348	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	0	0	0	0
24. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
25. Aggregate write-ins for other than invested assets.....	106,232,071	9,407,665	96,824,406	93,152,226
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	18,640,555,135	283,635,908	18,356,919,227	19,223,082,666
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. TOTALS (Lines 26 and 27).....	18,640,555,135	283,635,908	18,356,919,227	19,223,082,666

DETAILS OF WRITE-INS

1101. Deferred gain/loss.....	(1,069,707)	0	(1,069,707)	0
1102.....	0	0	0	0
1103.....	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	(1,069,707)	0	(1,069,707)	0
2501. Equities and deposits in pools and associations.....	41,883,285	0	41,883,285	39,932,430
2502. State surcharges receivable.....	13,435,966	0	13,435,966	11,162,949
2503. Suspense, undistributed payments.....	12,397,488	0	12,397,488	12,491,584
2598. Summary of remaining write-ins for Line 25 from overflow page.....	38,515,332	9,407,665	29,107,667	29,565,263
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	106,232,071	9,407,665	96,824,406	93,152,226

ST. PAUL FIRE AND MARINE INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	7,537,768,939	7,668,426,823
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	300,862,924	257,776,990
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	1,779,650,483	1,833,237,996
4. Commissions payable, contingent commissions and other similar charges.....	132,868,393	137,972,509
5. Other expenses (excluding taxes, licenses and fees).....	121,210,594	124,359,159
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	96,456,108	106,866,680
7.1 Current federal and foreign income taxes (including \$.....(32,793,571) on realized capital gains (losses)).....	22,179,007	0
7.2 Net deferred tax liability.....	0	0
8. Borrowed money \$.....0 and interest thereon \$.....0.....	0	0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....459,377,851 and including warranty reserves of \$.....0).....	2,128,243,431	2,063,838,983
10. Advance premium.....	169,475	169,475
11. Dividends declared and unpaid:		
11.1 Stockholders.....	0	0
11.2 Policyholders.....	9,266,454	9,165,949
12. Ceded reinsurance premiums payable (net of ceding commissions).....	112,076,234	137,476,722
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	5,726,352	3,428,757
14. Amounts withheld or retained by company for account of others.....	47,113,704	64,054,904
15. Remittances and items not allocated.....	5,287,231	47,003,193
16. Provision for reinsurance (Schedule F, Part 7).....	50,226,659	73,225,302
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	(2,378,027)	(4,161,407)
18. Drafts outstanding.....	0	0
19. Payable to parent, subsidiaries and affiliates.....	156,947,425	64,076,901
20. Derivatives.....	11,625,000	0
21. Payable for securities.....	562,500	461,064
22. Payable for securities lending.....	33,831,000	0
23. Liability for amounts held under uninsured plans.....	0	0
24. Capital notes \$.....0 and interest thereon \$.....0.....	0	0
25. Aggregate write-ins for liabilities.....	(13,642,942)	44,348,562
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	12,536,050,944	12,631,728,562
27. Protected cell liabilities.....	0	0
28. Total liabilities (Lines 26 and 27).....	12,536,050,944	12,631,728,562
29. Aggregate write-ins for special surplus funds.....	143,154,166	157,588,221
30. Common capital stock.....	20,000,000	20,000,000
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.....	3,238,382,533	3,171,725,204
35. Unassigned funds (surplus).....	2,419,331,584	3,242,040,678
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....	0	0
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	5,820,868,283	6,591,354,104
38. TOTALS (Page 2, Line 28, Col. 3).....	18,356,919,227	19,223,082,666

DETAILS OF WRITE-INS

2501. Investment real estate liability.....	17,060,565	15,771,626
2502. Escheat liability.....	1,246,480	2,694,121
2503. Interest deposit liability.....	624,053	786,053
2598. Summary of remaining write-ins for Line 25 from overflow page.....	(32,574,039)	25,096,762
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	(13,642,942)	44,348,562
2901. Special surplus for deferred taxes.....	112,105,046	120,000,525
2902. Special surplus from retroactive reinsurance.....	30,049,120	36,587,696
2903. Guaranty surplus fund.....	1,000,000	1,000,000
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	143,154,166	157,588,221
3201.	0	0
3202.	0	0
3203.	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	4,702,263,702	4,717,480,992
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7).....	2,356,855,795	2,154,380,536
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	553,960,780	582,589,353
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	1,517,450,526	1,512,016,648
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	4,428,267,100	4,248,986,537
7. Net income of protected cells.....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	273,996,601	468,494,455
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	894,973,896	710,714,081
10. Net realized capital gains (losses) less capital gains tax of \$.....3,386,984 (Exhibit of Capital Gains (Losses)).....	(82,043,540)	(185,812,507)
11. Net investment gain (loss) (Lines 9 + 10).....	812,930,356	524,901,574
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....(10,631,334) amount charged off \$.....3,120,128).....	(13,751,462)	(15,108,419)
13. Finance and service charges not included in premiums.....	22,860,716	23,354,477
14. Aggregate write-ins for miscellaneous income.....	(240,467)	(1,089,377)
15. Total other income (Lines 12 through 14).....	8,868,787	7,156,681
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	1,095,795,744	1,000,552,710
17. Dividends to policyholders.....	5,944,977	4,333,516
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).....	1,089,850,767	996,219,194
19. Federal and foreign income taxes incurred.....	177,360,281	274,225,479
20. Net income (Line 18 minus Line 19) (to Line 22).....	912,490,486	721,993,715
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	6,591,354,104	6,366,506,477
22. Net income (from Line 20).....	912,490,486	721,993,715
23. Net transfers (to) from Protected Cell accounts.....	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....37,692,651.....	22,056,399	598,485,082
25. Change in net unrealized foreign exchange capital gain (loss).....	12,186,622	162,811,507
26. Change in net deferred income tax.....	(44,833,053)	(14,736,433)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28 Column 3).....	91,853,233	84,112,179
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	22,998,643	(16,101,672)
29. Change in surplus notes.....	0	0
30. Surplus (contributed to) withdrawn from protected cells.....	0	0
31. Cumulative effect of changes in accounting principles.....	0	21,014,611
32. Capital changes:		
32.1 Paid in.....	0	0
32.2 Transferred from surplus (Stock Dividend).....	0	0
32.3 Transferred to surplus.....	0	0
33. Surplus adjustments:		
33.1 Paid in.....	66,657,328	(103,481,322)
33.2 Transferred to capital (Stock Dividend).....	0	0
33.3. Transferred from capital.....	0	0
34. Net remittances from or (to) Home Office.....	0	0
35. Dividends to stockholders.....	(1,846,000,000)	(1,349,250,563)
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.....	(7,895,479)	120,000,525
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	(770,485,821)	224,847,627
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	5,820,868,283	6,591,354,104
DETAILS OF WRITE-INS		
0501.	0	0
0502.	0	0
0503.	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0
1401. Change in COLI cash values.....	1,091,502	2,475,433
1402. Fines and penalties of regulatory authorities.....	(27,904)	(11,352)
1403. Retroactive reinsurance gain/loss.....	(530,472)	(4,359,089)
1498. Summary of remaining write-ins for Line 14 from overflow page.....	(773,593)	805,631
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	(240,467)	(1,089,377)
3701. Change in special surplus from deferred taxes.....	(7,895,479)	120,000,525
3702.	0	0
3703.	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	(7,895,479)	120,000,525

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	4,645,629,501	4,720,892,258
2. Net investment income.....	1,002,183,381	664,591,190
3. Miscellaneous income.....	8,868,787	7,156,681
4. Total (Lines 1 through 3).....	5,656,681,669	5,392,640,128
5. Benefit and loss related payments.....	2,439,684,975	2,340,841,372
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	2,144,829,998	2,113,951,383
8. Dividends paid to policyholders.....	5,844,472	4,032,593
9. Federal and foreign income taxes paid (recovered) net of \$....(42,363,374) tax on capital gains (losses).....	139,429,976	207,879,667
10. Total (Lines 5 through 9).....	4,729,789,421	4,666,705,014
11. Net cash from operations (Line 4 minus Line 10).....	926,892,248	725,935,114
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	2,116,194,485	2,157,619,701
12.2 Stocks.....	109,752,350	249,707,362
12.3 Mortgage loans.....	2,975,000	765,000
12.4 Real estate.....	9,050,344	0
12.5 Other invested assets.....	66,928,182	39,615,090
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	1,105	8,406
12.7 Miscellaneous proceeds.....	1,216,143	6,914,752
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	2,306,117,609	2,454,630,311
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	1,076,335,831	2,496,239,260
13.2 Stocks.....	226,457,821	68,012,790
13.3 Mortgage loans.....	782,104	1,325,761
13.4 Real estate.....	14,111,426	10,896,027
13.5 Other invested assets.....	223,371,931	153,436,516
13.6 Miscellaneous applications.....	0	11,815,362
13.7 Total investments acquired (Lines 13.1 to 13.6).....	1,541,059,113	2,741,725,716
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	765,058,496	(287,095,404)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	66,657,328	(103,481,322)
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.....	1,846,000,000	1,349,250,563
16.6 Other cash provided (applied).....	(22,308,726)	521,666,420
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(1,801,651,398)	(931,065,465)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(109,700,654)	(492,225,756)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	336,900,569	829,126,325
19.2 End of year (Line 18 plus Line 19.1).....	227,199,915	336,900,569
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001 Capital contribution.....	66,657,328	0
20.0002 Stock converted to limited liability company.....	25,226,129	0
20.0003 Stock converted to bonds.....	0	29,721,050
20.0004 Exchange of stock.....	0	2,720,000
20.0005 Return of capital to parent.....	0	(103,481,322)

ST. PAUL FIRE AND MARINE INSURANCE COMPANY UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....	149,072,517	73,606,712	63,006,291	159,672,939
2. Allied lines.....	135,427,812	50,674,733	59,950,797	126,151,748
3. Farmowners multiple peril.....	37,271,810	16,826,087	17,956,885	36,141,012
4. Homeowners multiple peril.....	763,330,629	373,666,312	403,700,946	733,295,994
5. Commercial multiple peril.....	705,747,092	331,568,608	340,560,231	696,755,469
6. Mortgage guaranty.....	0	0	0	0
8. Ocean marine.....	83,067,810	34,859,423	35,946,059	81,981,174
9. Inland marine.....	160,955,351	83,735,190	75,756,366	168,934,175
10. Financial guaranty.....	0	0	0	0
11.1 Medical professional liability - occurrence.....	(2,894)	(1,169)	(1,057)	(3,007)
11.2 Medical professional liability - claims-made.....	(781)	4,507	246	3,481
12. Earthquake.....	29,598,816	10,918,736	13,512,945	27,004,607
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.....	649,104,002	241,284,222	265,445,908	624,942,315
17.1 Other liability - occurrence.....	420,484,664	188,307,688	187,980,176	420,812,176
17.2 Other liability - claims-made.....	151,342,809	93,444,140	85,430,059	159,356,891
17.3 Excess workers' compensation.....	5,382,476	2,431,528	2,044,533	5,769,470
18.1 Products liability - occurrence.....	67,129,285	31,082,115	30,770,152	67,441,247
18.2 Products liability - claims-made.....	5,574,543	2,392,820	2,553,071	5,414,293
19.1, 19.2 Private passenger auto liability.....	505,941,973	145,609,140	162,443,586	489,107,527
19.3, 19.4 Commercial auto liability.....	403,766,694	181,140,275	181,676,792	403,230,177
21. Auto physical damage.....	421,270,496	142,417,057	149,273,229	414,414,325
22. Aircraft (all perils).....	(94,675)	608,976	0	514,301
23. Fidelity.....	15,945,992	9,819,002	9,624,587	16,140,407
24. Surety.....	11,762,713	(1,073,765)	(950,955)	11,639,902
26. Burglary and theft.....	2,543,285	1,117,945	1,093,658	2,567,571
27. Boiler and machinery.....	46,040,974	19,151,786	20,202,488	44,990,272
28. Credit.....	(4,149)	6,192	14,642	(12,599)
29. International.....	846,492	209,433	97,018	958,906
30. Warranty.....	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	(446,167)	55,497	53,715	(444,385)
32. Reinsurance - nonproportional assumed liability.....	4,807,510	3,003,467	3,015,925	4,795,051
33. Reinsurance - nonproportional assumed financial lines.....	468,741	446,381	309,483	605,639
34. Aggregate write-ins for other lines of business.....	86,546	14,560	18,482	82,624
35. TOTALS.....	4,776,422,362	2,037,327,598	2,111,486,259	4,702,263,702

DETAILS OF WRITE-INS

3401. Tribal workers' compensation.....	86,546	14,560	18,482	82,624
3402.	0	0	0	0
3403.	0	0	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	86,546	14,560	18,482	82,624

ST. PAUL FIRE AND MARINE INSURANCE COMPANY UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	1	2	3	4	5
Line of Business	Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire.....	60,370,031	3,402,517	(766,257)	.0	63,006,291
2. Allied lines.....	57,108,938	2,841,859	.0	.0	59,950,797
3. Farmowners multiple peril.....	17,958,269	(1,384)	.0	.0	17,956,885
4. Homeowners multiple peril.....	404,305,015	(604,069)	.0	.0	403,700,946
5. Commercial multiple peril.....	335,942,177	(572,836)	5,190,890	.0	340,560,231
6. Mortgage guaranty.....	.0	.0	.0	.0	.0
8. Ocean marine.....	36,159,198	261,674	(474,813)	.0	35,946,059
9. Inland marine.....	62,536,183	13,932,471	(712,289)	.0	75,756,366
10. Financial guaranty.....	.0	.0	.0	.0	.0
11.1 Medical professional liability - occurrence.....	(1,057)	.0	.0	.0	(1,057)
11.2 Medical professional liability - claims-made.....	246	.0	.0	.0	246
12. Earthquake.....	12,586,932	926,013	.0	.0	13,512,945
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.....	284,494,950	41,629	3,822,976	(22,913,647)	265,445,908
17.1 Other liability - occurrence.....	186,278,009	802,481	1,113,032	(213,346)	187,980,176
17.2 Other liability - claims-made.....	73,592,394	11,810,305	27,360	.0	85,430,059
17.3 Excess workers' compensation.....	2,002,477	39,876	2,179	.0	2,044,533
18.1 Products liability - occurrence.....	26,002,721	4,591,684	133,406	42,341	30,770,152
18.2 Products liability - claims-made.....	2,527,218	25,388	464	.0	2,553,071
19.1, 19.2 Private passenger auto liability.....	162,443,586	.0	.0	.0	162,443,586
19.3, 19.4 Commercial auto liability.....	181,173,528	713,460	(93,137)	(117,058)	181,676,792
21. Auto physical damage.....	149,179,104	96,356	(0)	(2,231)	149,273,229
22. Aircraft (all perils).....	.0	.0	.0	.0	.0
23. Fidelity.....	6,464,879	3,159,709	.0	.0	9,624,587
24. Surety.....	513,809	332,279	(1,797,043)	.0	(950,955)
26. Burglary and theft.....	856,936	236,722	.0	.0	1,093,658
27. Boiler and machinery.....	18,827,175	1,375,313	.0	.0	20,202,488
28. Credit.....	14,642	.0	.0	.0	14,642
29. International.....	97,018	.0	.0	.0	97,018
30. Warranty.....	.0	.0	.0	.0	.0
31. Reinsurance - nonproportional assumed property.....	53,715	.0	.0	.0	53,715
32. Reinsurance - nonproportional assumed liability.....	2,633,848	382,077	.0	.0	3,015,925
33. Reinsurance - nonproportional assumed financial lines.....	291,110	18,373	.0	.0	309,483
34. Aggregate write-ins for other lines of business.....	18,482	.0	.0	.0	18,482
35. TOTALS.....	2,084,431,532	43,811,899	6,446,770	(23,203,942)	2,111,486,259
36. Accrued retrospective premiums based on experience.....					23,203,942
37. Earned but unbilled premiums.....					(6,446,770)
38. Balance (sum of Lines 35 through 37).....					2,128,243,431

DETAILS OF WRITE-INS

3401. Tribal workers' compensation.....	18,482	.0	.0	.0	18,482
3402. ....	.0	.0	.0	.0	.0
3403. ....	.0	.0	.0	.0	.0
3498. Summary of remaining write-ins for Line 34 from overflow page....	.0	.0	.0	.0	.0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	18,482	.0	.0	.0	18,482

(a) State here basis of computation used in each case: Daily pro rata; pools and associations as submitted.

ST. PAUL FIRE AND MARINE 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.....	81,878,072	118,028,570	291,710	33,242,634	17,883,200	149,072,517
2. Allied lines.....	29,557,330	131,669,765	1,146,729	26,837,961	108,051	135,427,812
3. Farmowners multiple peril.....	0	37,271,810	0	0	0	37,271,810
4. Homeowners multiple peril.....	0	763,330,629	(55,661)	(55,661)	0	763,330,629
5. Commercial multiple peril.....	13,213,266	705,310,697	1,227,022	14,002,237	1,655	705,747,092
6. Mortgage guaranty.....	0	0	0	0	0	0
8. Ocean marine.....	221,603,785	65,459,390	302,067	203,201,239	1,096,193	83,067,810
9. Inland marine.....	42,603,817	152,636,071	190,478	32,139,640	2,335,375	160,955,351
10. Financial guaranty.....	0	0	0	0	0	0
11.1 Medical professional liability - occurrence.....	(33)	(2,894)	0	(33)	0	(2,894)
11.2 Medical professional liability - claims-made.....	0	(781)	(154)	(154)	0	(781)
12. Earthquake.....	3,387,700	26,321,430	0	8,597	101,717	29,598,816
13. Group accident and health.....	0	0	20,791	20,791	0	0
14. Credit accident and health (group and individual).....	0	0	0	0	0	0
15. Other accident and health.....	497,346	0	443,538	940,884	0	0
16. Workers' compensation.....	(422,185)	649,104,002	3,978,976	3,556,791	0	649,104,002
17.1 Other liability - occurrence.....	474,186,562	404,589,736	2,135,991	460,252,142	175,483	420,484,664
17.2 Other liability - claims-made.....	78,502,935	141,679,206	724,940	69,384,316	179,955	151,342,809
17.3 Excess workers' compensation.....	0	5,382,476	0	0	0	5,382,476
18.1 Products liability - occurrence.....	72,420,354	26,575,889	1,151,507	25,320,208	7,698,258	67,129,285
18.2 Products liability - claims-made.....	2,785,320	4,775,349	(1,250)	1,983,499	1,377	5,574,543
19.1, 19.2 Private passenger auto liability.....	7,314	505,941,973	0	7,314	0	505,941,973
19.3, 19.4 Commercial auto liability.....	106,947,379	368,889,370	1,108,477	71,511,667	1,666,864	403,766,694
21. Auto physical damage.....	33,879,830	408,536,879	323,437	21,429,837	39,812	421,270,496
22. Aircraft (all perils).....	(368,625)	(94,675)	40,782	(327,843)	0	(94,675)
23. Fidelity.....	28,028,416	14,957,750	12,857	27,049,812	3,219	15,945,992
24. Surety.....	4,617,647	12,100,045	380,344	5,335,324	0	11,762,713
26. Burglary and theft.....	3,331,025	2,295,913	3,901	3,087,354	200	2,543,285
27. Boiler and machinery.....	4,690,319	43,376,678	136,032	2,092,045	70,011	46,040,974
28. Credit.....	0	(4,149)	(16,721)	(16,721)	0	(4,149)
29. International.....	0	4,105,084	156,058	3,414,650	0	846,492
30. Warranty.....	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	XXX	(448,687)	(3,133,101)	(3,135,621)	0	(446,167)
32. Reinsurance - nonproportional assumed liability.....	XXX	4,727,078	20,213,164	20,132,732	0	4,807,510
33. Reinsurance - nonproportional assumed financial lines.....	XXX	468,741	1,866,783	1,866,783	0	468,741
34. Aggregate write-ins for other lines of business.....	349,118	86,546	0	349,118	0	86,546
35. TOTALS.....	1,201,696,691	4,597,069,889	32,648,694	1,023,631,542	31,361,369	4,776,422,362

DETAILS OF WRITE-INS

3401. Tribal workers' compensation.....	349,118	86,546	0	349,118	0	86,546
3402.	0	0	0	0	0	0
3403.	0	0	0	0	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page..	0	0	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	349,118	86,546	0	349,118	0	86,546

(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 \$.0.

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.0.

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.....	79,251,992	65,716,913	49,007,166	95,961,739	91,093,564	99,426,563	87,628,740	54.9
2. Allied lines.....	10,914,949	76,759,448	11,846,994	75,827,403	61,721,323	70,557,608	66,991,119	53.1
3. Farmowners multiple peril.....	0	18,529,143	31	18,529,112	11,177,797	9,112,646	20,594,263	57.0
4. Homeowners multiple peril.....	30,545	411,679,017	23,702	411,685,860	202,592,894	162,440,965	451,837,790	61.6
5. Commercial multiple peril.....	5,974,522	323,696,380	6,244,109	323,426,793	582,753,390	558,000,853	348,179,331	50.0
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0.0
8. Ocean marine.....	88,536,310	27,898,620	85,538,839	30,896,091	50,548,573	48,622,325	32,822,339	40.0
9. Inland marine.....	32,398,396	69,280,140	28,959,981	72,718,555	66,669,073	76,419,443	62,968,185	37.3
10. Financial guaranty.....	0	0	0	0	0	0	0	0.0
11.1 Medical professional liability - occurrence.....	18,681,823	2,158,103	18,681,823	2,158,103	10,724,270	15,802,325	(2,919,953)	97,115.8
11.2 Medical professional liability - claims-made.....	41,923,843	13,855,211	46,154,327	9,624,728	27,604,283	38,186,310	(957,299)	(27,502.4)
12. Earthquake.....	0	1,977	(731)	2,708	7,837,046	7,330,504	509,250	1.9
13. Group accident and health.....	0	522,553	522,553	0	0	0	0	0.0
14. Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0.0
15. Other accident and health.....	59,527	141,074	200,601	0	0	0	0	0.0
16. Workers' compensation.....	60,765,059	327,877,708	74,160,578	314,482,190	2,783,969,144	2,729,588,150	368,863,184	59.0
17.1 Other liability - occurrence.....	234,786,536	200,124,736	245,494,573	189,416,698	1,287,688,543	1,401,108,562	75,996,680	18.1
17.2 Other liability - claims-made.....	138,513,564	103,908,643	142,984,826	99,437,382	420,466,787	447,265,264	72,638,905	45.6
17.3 Excess workers' compensation.....	0	3,403,165	335,159	3,068,007	128,896,807	116,429,967	15,534,847	269.3
18.1 Products liability - occurrence.....	82,487,229	35,582,036	69,592,423	48,476,842	490,206,360	478,203,081	60,480,122	89.7
18.2 Products liability - claims-made.....	5,423,851	1,432,048	4,804,651	2,051,248	20,753,270	24,043,175	(1,238,657)	(22.9)
19.1, 19.2 Private passenger auto liability.....	15,708	288,002,771	15,708	288,002,771	361,161,218	370,016,459	279,147,530	57.1
19.3, 19.4 Commercial auto liability.....	94,480,395	207,680,058	85,479,568	216,680,885	509,515,279	519,183,994	207,012,170	51.3
21. Auto physical damage.....	19,309,850	227,677,113	15,906,957	231,080,006	35,919,312	36,210,170	230,789,147	55.7
22. Aircraft (all perils).....	13,579,596	18,906,094	31,783,449	702,241	5,218,456	8,490,020	(2,569,323)	(499.6)
23. Fidelity.....	16,931,374	14,187,743	16,608,667	14,510,451	27,374,787	35,321,820	6,563,418	40.7
24. Surety.....	(2,456,742)	1,769,133	(1,657,994)	970,384	73,886,682	82,028,297	(7,171,231)	(61.6)
26. Burglary and theft.....	27,618	14,675	(7,707)	50,000	2,825,982	3,156,856	(280,874)	(10.9)
27. Boiler and machinery.....	4,854,257	11,777,049	4,836,853	11,794,453	12,999,942	14,308,861	10,485,534	23.3
28. Credit.....	0	(188,041)	(152,370)	(35,671)	2,068,203	3,024,132	(991,600)	7,870.6
29. International.....	0	2,312,310	1,852,961	459,349	2,133,050	2,306,744	285,655	29.8
30. Warranty.....	0	(273)	0	(273)	0	(336)	63	0.0
31. Reinsurance - nonproportional assumed property.....	XXX	8,930,325	6,808,020	2,122,305	8,111,094	8,974,981	1,258,418	(283.2)
32. Reinsurance - nonproportional assumed liability.....	XXX	121,849,590	98,655,873	23,193,717	246,126,572	296,245,091	(26,924,802)	(561.5)
33. Reinsurance - nonproportional assumed financial lines.....	XXX	1,010,486	809,749	200,737	5,648,278	6,586,858	(737,843)	(121.8)
34. Aggregate write-ins for other lines of business.....	76,095	18,864	76,095	18,864	76,960	35,136	60,687	73.4
35. TOTALS.....	946,566,301	2,586,514,812	1,045,567,433	2,487,513,679	7,537,768,939	7,668,426,823	2,356,855,795	50.1

DETAILS OF WRITE-INS

3401. Tribal workers' compensation.....	76,095	18,864	76,095	18,864	76,960	35,136	60,687	73.4
3402.	0	0	0	0	0	0	0	0.0
3403.	0	0	0	0	0	0	0	0.0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	76,095	18,864	76,095	18,864	76,960	35,136	60,687	73.4

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire.....	104,062,140	56,772,929	56,544,521	104,290,549	(10,242,360)	27,090,962	30,045,587	91,093,564	13,834,478
2. Allied lines.....	5,754,055	43,884,447	6,200,265	43,438,237	21,450,650	14,310,494	17,478,058	61,721,323	11,771,732
3. Farmowners multiple peril.....	0	5,633,036	2	5,633,035	0	5,565,264	20,502	11,177,797	2,056,885
4. Homeowners multiple peril.....	57,121	96,492,196	64,253	96,485,064	71,234	107,199,773	1,163,177	202,592,894	29,236,799
5. Commercial multiple peril.....	5,160,288	315,856,127	6,336,157	314,680,258	24,515,805	274,470,009	30,912,682	582,753,390	254,328,145
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0	0
8. Ocean marine.....	106,399,886	33,996,849	105,655,237	34,741,498	76,237,256	18,894,538	79,324,719	50,548,573	9,936,407
9. Inland marine.....	29,313,420	31,079,089	24,259,100	36,133,409	13,631,060	36,000,208	19,095,604	66,669,073	8,001,627
10. Financial guaranty.....	0	0	0	0	37	(0)	37	0	0
11.1 Medical professional liability - occurrence.....	33,965,425	9,302,471	33,965,425	9,302,471	933,932	1,369,945	882,078	10,724,270	1,522,511
11.2 Medical professional liability - claims-made.....	61,911,092	32,335,565	76,339,666	17,906,991	4,051,205	23,192,369	17,546,282	27,604,283	4,291,589
12. Earthquake.....	250,000	67,181	250,000	67,181	8,053,151	(415,946)	(132,661)	7,837,046	770,343
13. Group accident and health.....	0	1,345,432	1,345,432	0	0	1,487,430	1,487,430	(a).....0	0
14. Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0	0
15. Other accident and health.....	210,722	2,545,635	2,756,357	0	1,139,782	4,230,615	5,370,397	(a).....0	0
16. Workers' compensation.....	610,213,931	1,535,536,059	690,596,241	1,455,153,748	301,118,726	1,435,042,710	407,346,040	2,783,969,144	359,474,717
17.1 Other liability - occurrence.....	279,552,002	294,324,479	333,852,680	240,023,802	1,266,313,169	1,133,696,682	1,352,345,109	1,287,688,543	429,796,285
17.2 Other liability - claims-made.....	159,199,488	158,228,741	185,337,669	132,090,561	207,428,081	295,262,298	214,314,153	420,466,787	164,602,418
17.3 Excess workers' compensation.....	250,000	45,438,855	2,643,972	43,044,882	24,500,469	85,912,684	24,561,228	128,896,807	3,443,314
18.1 Products liability - occurrence.....	188,074,449	61,364,634	95,634,555	153,804,529	316,359,288	313,076,332	293,033,789	490,206,360	259,984,007
18.2 Products liability - claims-made.....	12,230,505	863,671	3,483,589	9,610,586	16,891,525	5,749,929	11,498,770	20,753,270	9,476,740
19.1, 19.2 Private passenger auto liability.....	146,995	222,628,929	146,995	222,628,929	672,579	138,532,289	672,579	361,161,218	80,723,608
19.3, 19.4 Commercial auto liability.....	145,807,001	249,874,387	96,486,962	299,194,426	132,895,002	197,255,698	119,829,846	509,515,279	83,231,957
21. Auto physical damage.....	4,719,400	14,960,176	2,261,859	17,417,717	27,582,378	7,668,928	16,749,711	35,919,312	14,994,887
22. Aircraft (all perils).....	26,783,399	3,998,558	29,234,968	1,546,989	11,542,614	13,490,522	21,361,669	5,218,456	1,850,064
23. Fidelity.....	4,940,460	5,105,810	5,161,411	4,884,859	41,850,566	23,709,559	43,070,197	27,374,787	10,230,378
24. Surety.....	57,415,825	45,310,586	72,327,835	30,398,576	49,595,630	46,123,009	52,230,533	73,886,682	8,636,977
26. Burglary and theft.....	2,805	20,352	(1,847)	25,004	5,789,645	2,810,548	5,799,215	2,825,982	1,254,111
27. Boiler and machinery.....	1,921,644	3,124,129	1,902,844	3,142,929	6,355,525	7,775,320	4,273,832	12,999,942	2,213,192
28. Credit.....	0	6,548,300	5,172,962	1,375,338	0	3,476,520	2,783,654	2,068,203	105,760
29. International.....	0	4,570,211	3,662,321	907,889	1,903	6,013,135	4,789,877	2,133,050	15,606
30. Warranty.....	0	0	0	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	XXX	37,135,627	29,002,587	8,133,041	XXX	9,158,916	9,180,862	8,111,094	514,193
32. Reinsurance - nonproportional assumed liability.....	XXX	417,669,560	283,629,671	134,039,890	XXX	492,537,975	380,451,293	246,126,572	13,131,213
33. Reinsurance - nonproportional assumed financial lines.....	XXX	6,693,294	5,335,940	1,357,354	XXX	23,187,403	18,896,479	5,648,278	206,465
34. Aggregate write-ins for other lines of business.....	67,808	16,810	67,808	16,810	242,640	60,151	242,640	76,960	14,074
35. TOTALS.....	1,838,409,860	3,742,724,127	2,159,657,437	3,421,476,550	2,548,981,491	4,753,936,268	3,186,625,370	7,537,768,939	1,779,650,483
DETAILS OF WRITE-INS									
3401. Tribal workers' compensation.....	67,808	16,810	67,808	16,810	242,640	60,151	242,640	76,960	14,074
3402.	0	0	0	0	0	0	0	0	0
3403.	0	0	0	0	0	0	0	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	67,808	16,810	67,808	16,810	242,640	60,151	242,640	76,960	14,074

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

ST. PAUL FIRE AND MARINE INSURANCE COMPANY

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.....	72,705,648	0	0	72,705,648
1.2 Reinsurance assumed.....	264,712,339	0	0	264,712,339
1.3 Reinsurance ceded.....	50,189,154	0	0	50,189,154
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	287,228,833	0	0	287,228,833
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....	0	171,785,913	0	171,785,913
2.2 Reinsurance assumed, excluding contingent.....	0	696,889,576	0	696,889,576
2.3 Reinsurance ceded, excluding contingent.....	0	150,691,637	0	150,691,637
2.4 Contingent - direct.....	0	5,861,139	0	5,861,139
2.5 Contingent - reinsurance assumed.....	0	4,798,075	0	4,798,075
2.6 Contingent - reinsurance ceded.....	0	862,576	0	862,576
2.7 Policy and membership fees.....	0	0	0	0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	727,780,490	0	727,780,490
3. Allowances to manager and agents.....	0	871,458	0	871,458
4. Advertising.....	10,413	31,549,270	0	31,559,683
5. Boards, bureaus and associations.....	1,320,824	18,871,860	10,774	20,203,458
6. Surveys and underwriting reports.....	291	19,550,760	0	19,551,051
7. Audit of assureds' records.....	0	0	0	0
8. Salary and related items:				
8.1 Salaries.....	161,597,110	344,639,907	6,468,013	512,705,030
8.2 Payroll taxes.....	11,588,810	21,761,929	174,618	33,525,357
9. Employee relations and welfare.....	27,310,470	50,923,772	633,430	78,867,672
10. Insurance.....	22,523,007	5,111,611	8,480	27,643,098
11. Directors' fees.....	0	0	0	0
12. Travel and travel items.....	9,391,082	18,662,109	132,515	28,185,706
13. Rent and rent items.....	10,653,631	26,437,336	275,800	37,366,767
14. Equipment.....	2,030,643	8,226,333	413,526	10,670,502
15. Cost or depreciation of EDP equipment and software.....	4,892,563	56,698,493	174,484	61,765,540
16. Printing and stationery.....	1,313,989	3,958,490	35,530	5,308,009
17. Postage, telephone and telegraph, exchange and express.....	3,116,151	22,753,157	49,040	25,918,348
18. Legal and auditing.....	8,580,536	13,291,393	401,417	22,273,346
19. Totals (Lines 3 to 18).....	264,329,520	643,307,878	8,777,627	916,415,025
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....1,776,204.....	0	115,066,263	0	115,066,263
20.2 Insurance department licenses and fees.....	0	11,832,554	0	11,832,554
20.3 Gross guaranty association assessments.....	0	(1,877,834)	0	(1,877,834)
20.4 All other (excluding federal and foreign income and real estate).....	0	5,060,864	0	5,060,864
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	0	130,081,846	0	130,081,846
21. Real estate expenses.....	0	0	73,277,598	73,277,598
22. Real estate taxes.....	0	0	2,875,701	2,875,701
23. Reimbursements by uninsured plans.....	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses.....	2,402,427	16,280,312	928,622	19,611,361
25. Total expenses incurred.....	553,960,780	1,517,450,526	85,859,548	(a) 2,157,270,854
26. Less unpaid expenses - current year.....	1,779,650,483	347,379,643	3,155,452	2,130,185,577
27. Add unpaid expenses - prior year.....	1,833,237,996	369,027,056	171,292	2,202,436,344
28. Amounts receivable relating to uninsured plans, prior year.....	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year.....	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	607,548,293	1,539,097,940	82,875,388	2,229,521,621

DETAILS OF WRITE-INS

2401. Miscellaneous expenses.....	9,649,363	55,796,676	928,622	66,374,661
2402. Cost of computer software developed for internal use.....	(5,919,841)	(27,388,957)	0	(33,308,798)
2403. Service reimbursements.....	(1,327,095)	(12,127,407)	0	(13,454,502)
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	2,402,427	16,280,312	928,622	19,611,361

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

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....57,072,625	.....53,982,246
1.1 Bonds exempt from U.S. tax.....	(a).....245,344,207	.....241,965,204
1.2 Other bonds (unaffiliated).....	(a).....223,448,347	.....218,745,230
1.3 Bonds of affiliates.....	(a).....0	.....0
2.1 Preferred stocks (unaffiliated).....	(b).....393,612	.....363,612
2.11 Preferred stocks of affiliates.....	(b).....0	.....0
2.2 Common stocks (unaffiliated).....	.....9,547,808	.....9,600,933
2.21 Common stocks of affiliates.....	.....254,164,117	.....254,164,117
3. Mortgage loans.....	(c).....5,602,313	.....5,520,720
4. Real estate.....	(d).....131,238,544	.....131,238,544
5. Contract loans.....	.....0	.....0
6. Cash, cash equivalents and short-term investments.....	(e).....799,232	.....950,024
7. Derivative instruments.....	(f).....0	.....0
8. Other invested assets.....	.....96,136,817	.....96,201,548
9. Aggregate write-ins for investment income.....	.....1,942,970	.....1,942,970
10. Total gross investment income.....	.....1,025,690,593	.....1,014,675,148
11. Investment expenses.....		(g).....85,859,548
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g).....0
13. Interest expense.....		(h).....251,461
14. Depreciation on real estate and other invested assets.....		(i).....33,392,281
15. Aggregate write-ins for deductions from investment income.....		.....197,962
16. Total deductions (Lines 11 through 15).....		.....119,701,252
17. Net investment income (Line 10 minus Line 16).....		.....894,973,896

DETAILS OF WRITE-INS

0901. Miscellaneous Income.....	.....959,404	.....959,404
0902. SPVC Loans.....	.....550,010	.....550,010
0903. Property and wind plans.....	.....307,390	.....307,390
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....126,167	.....126,167
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....1,942,970	.....1,942,970
1501. Management Fees.....		.....197,962
1502. ....		.....0
1503. ....		.....0
1598. Summary of remaining write-ins for Line 15 from overflow page.....		.....0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....		.....197,962

- (a) Includes \$.....8,650,071 accrual of discount less \$.....66,584,941 amortization of premium and less \$.....3,910,725 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....11,981,153 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....103,339 accrual of discount less \$.....1,166,746 amortization of premium and less \$.....4,958 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....33,392,281 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....44,369	.....(28,463)	.....15,906	.....(2)	.....0
1.1 Bonds exempt from U.S. tax.....	.....6,350,587	.....(58,458)	.....6,292,129	.....806,986	.....0
1.2 Other bonds (unaffiliated).....	.....13,638,383	.....(9,483,782)	.....4,154,601	.....6,548,441	.....14,934,027
1.3 Bonds of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.1 Preferred stocks (unaffiliated).....	.....0	.....0	.....0	.....113,860	.....0
2.11 Preferred stocks of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.2 Common stocks (unaffiliated).....	.....7,145,033	.....(1,138,505)	.....6,006,528	.....57,392,479	.....0
2.21 Common stocks of affiliates.....	.....(628,994)	.....0	.....(628,994)	.....(67,346,694)	.....0
3. Mortgage loans.....	.....0	.....(13,278,785)	.....(13,278,785)	.....0	.....0
4. Real estate.....	.....3,049,312	.....0	.....3,049,312	.....0	.....0
5. Contract loans.....	.....0	.....0	.....0	.....0	.....0
6. Cash, cash equivalents and short-term investments.....	.....1,105	.....224,705	.....225,810	.....(626,250)	.....0
7. Derivative instruments.....	.....(26,563,405)	.....0	.....(26,563,405)	.....7,266,906	.....0
8. Other invested assets.....	.....(75,838)	.....(56,101,113)	.....(56,176,951)	.....55,593,291	.....(797,429)
9. Aggregate write-ins for capital gains (losses).....	.....(742,235)	.....(1,010,472)	.....(1,752,708)	.....32	.....(1,949,976)
10. Total capital gains (losses).....	.....2,218,317	.....(80,874,874)	.....(78,656,556)	.....59,749,050	.....12,186,622

DETAILS OF WRITE-INS

0901. Real Gain LTBD Impair Recovery.....	.....0	.....94,026	.....94,026	.....0	.....0
0902. Foreign Exchange.....	.....0	.....(1,104,498)	.....(1,104,498)	.....32	.....(1,949,976)
0903. Deferred Gain.....	.....(1,069,707)	.....0	.....(1,069,707)	.....0	.....0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....327,472	.....0	.....327,472	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....(742,235)	.....(1,010,472)	.....(1,752,708)	.....32	.....(1,949,976)

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.....	12,496,547	10,042,910	(2,453,637)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....	0	2,060,467	2,060,467
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.....	0	0	0
8. Other invested assets (Schedule BA).....	9,318,173	9,570,340	252,167
9. Receivables for securities.....	0	0	0
10. Securities lending reinvested collateral assets.....	0	0	0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	21,814,720	21,673,717	(141,003)
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.....	46,609,544	47,013,872	404,328
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	6,506,533	7,232,602	726,069
15.3 Accrued retrospective premiums.....	564,304	503,105	(61,199)
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.....	181,628,793	247,849,619	66,220,826
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.....	17,104,348	19,014,701	1,910,353
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.....	9,407,665	24,306,045	14,898,380
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	283,635,908	367,593,661	83,957,753
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. TOTALS (Lines 26 and 27).....	283,635,908	367,593,661	83,957,753

DETAILS OF WRITE-INS

1101.	0	0	0
1102.	0	0	0
1103.	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0
2501. Other assets nonadmitted.....	2,155,329	14,992,838	12,837,509
2502. Freddie Mac collateral held.....	3,805,945	5,963,834	2,157,889
2503. Amounts receivable under high deductible policies.....	3,446,390	3,349,373	(97,017)
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	9,407,665	24,306,045	14,898,380

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. St. Paul Fire and Marine Insurance Company (the Company) prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Connecticut. The State of Connecticut requires that insurance companies domiciled in Connecticut prepare their statutory basis financial statements in accordance with the National Association of Insurance Commissioners (NAIC) *Accounting Practices and Procedures Manual*, subject to any deviations prescribed or permitted by the Connecticut Insurance Commissioner.
- B. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and losses and expenses during the reporting period. Actual results could differ from those estimates.
- C. Certain assets designated as nonadmitted are excluded from the statutory balance sheet and changes in such amounts are charged or credited directly to unassigned surplus. The costs of acquiring both new and renewal insurance business are charged to income as incurred. Premiums are recognized as revenues pro rata over the policy period. Unearned premium reserves represent the unexpired portion of policy premiums, net of reinsurance. Reserves for losses, loss adjustment expenses (LAE) and unearned premiums ceded to reinsurers have been reported as reductions of the related reserves. Amounts recoverable from reinsurers are estimated in a manner consistent with the loss liability associated with the reinsured business. A liability is established for unsecured, unauthorized reinsurance and overdue authorized reinsurance recoverables. The provision for federal income taxes is comprised of two components, current income taxes and deferred income taxes. Deferred federal income taxes arise from changes during the year in cumulative temporary differences between the statutory basis and tax basis of assets and liabilities, and are recognized in accordance with Statement of Statutory Accounting Principles (SSAP) No. 10R, *Income Taxes- Revised, A Temporary Replacement of SSAP No. 10*.

Invested assets are valued according to statutory requirements and the bases of valuation adopted by the NAIC.

Short-term investments are stated at amortized cost.

Bonds are generally stated at amortized cost, except bonds that are defined by the NAIC as non-investment grade (NAIC Class 3-6) which are stated at the lower of amortized cost or NAIC fair value. Amortization is calculated using the constant yield method.

Common stocks of non-affiliates are stated at NAIC fair value.

Redeemable preferred stocks (NAIC Class 1 and 2) are generally stated at amortized cost, whereas NAIC Class 3-6 are stated at the lower of cost, amortized cost, or NAIC fair value. Perpetual preferred stocks (NAIC Class 1 and 2) generally are stated at NAIC fair value, while NAIC Class 3-6 are stated at the lower of cost or NAIC fair value.

Mortgage loans are stated at the amount of principal outstanding, adjusted for unamortized premium or discount, net of encumbrances and specific impairments.

Real estate is stated at depreciated cost, net of encumbrances and specific impairments.

Loan-backed and structured securities are amortized using the retrospective method, except for securities that have incurred a decline in fair value that is other than temporary are amortized using the prospective method. The effective yield used to determine amortization is calculated based on actual historical and projected future cash flows, which are obtained from a widely-accepted securities data provider.

Investments in subsidiaries and affiliated entities are based on the net worth of the entity, determined in accordance with statutory accounting valuation methods. Dividends received from subsidiaries are recorded as net investment income and undistributed net income is recorded as net unrealized capital gains (losses).

The Company's investments in partnerships, joint ventures and limited liability companies are reported using the equity method of accounting, determined in accordance with statutory accounting valuation methods. Distributions of accumulated earnings received from these investments are recorded as net investment income and undistributed net income is recorded as net unrealized capital gains (losses).

For accounting policy in regards to derivative instruments, see Note 8.

The Company utilizes anticipated investment income as a factor in the premium deficiency calculation.

Canadian dollar denominated assets, liabilities, revenues and expenses of the Company's Canadian operations are included in the financial statements at the Canadian currency amounts. The net assets of the Canadian operations are translated at the year-end exchange rate and the adjustment into U.S. dollars is reflected as a separate asset or liability in the Company's balance sheet. The change in this liability is charged or credited directly to unassigned surplus.

Property-casualty reserves are established for loss and LAE and represent management's estimate of the ultimate cost of all unpaid reported and unreported claims incurred and related expenses. In establishing loss and LAE reserves, the Company also takes into account estimated recoveries, reinsurance, salvage and subrogation. The loss and LAE reserves are reviewed regularly by qualified actuaries employed by the Company. The Company continually refines its loss and LAE reserve estimates in a regular ongoing process as historical loss experience develops and additional claims are reported and settled. Because establishment of loss and LAE reserves is an inherently uncertain process involving estimates, currently established reserves may change. The Company reflects adjustments to loss and LAE reserves in the period in which the estimates are changed. Such changes in estimates could occur in a future period and may be material to the Company's net income in such period. For a discussion of loss and LAE reserves related to asbestos and environmental reserves, see Note 33.

The Company has not modified its accounting policy regarding the capitalization of fixed assets from the prior period.

At December 31, 2010, the Company changed its presentation of the reporting for unsettled affiliated reinsurance balances in the balance sheet. Reinsurance recoverables on paid losses are reported in "Amounts recoverable from reinsurers"; losses payable on assumed reinsurance are reported in "Reinsurance payable on paid losses and loss adjustment expenses"; the remaining amounts are subject to the right of offset and are reported on a net basis in either "Uncollected premiums and agents' balances in course of collection" or "Ceded reinsurance premiums payable", depending on whether the net balance is a receivable or payable. The amounts presented for December 31, 2009 have been reclassified to conform to the 2010 presentation. This change did not impact surplus. See Note 10. D. (2) for additional information.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

The Company had no material changes in accounting principles during 2010.

NOTES TO FINANCIAL STATEMENTS**3. BUSINESS COMBINATIONS AND GOODWILL**

Not applicable.

4. DISCONTINUED OPERATIONS

Not applicable.

5. INVESTMENTS**A. Mortgage Loans:**

The maximum percentage of any one loan-to-value of security at the time the loan was made, exclusive of any purchase money or insured or guaranteed mortgages was 72%.

In 2010, the Company impaired its mortgage loan in Oakbrook, Illinois by \$13,278,785. The Company continues to monitor this loan for further impairment.

The Company recognized \$591,535 in interest since the loan was impaired and continues to accrue interest on this loan as it is deemed collectible.

B. Debt Restructuring:

The Company has a recorded investment of \$45,226,315 on a mortgage loan in Oakbrook, Illinois for which a \$13,278,785 impairment was recorded as a realized loss.

The Company has a commitment of \$1.5 million to lend additional funds to the debtors and continues to accrue interest on this loan as it is deemed collectible.

C. Reverse Mortgages:

Not applicable.

D. Loan-Backed Securities:

The Company applies the retrospective method of revaluing loan-backed securities. The Company's loan-backed securities are revalued quarterly using actual and currently estimated future cash flows, including anticipated prepayments, with the original cost. For those securities where an other-than-temporary impairment has been recognized, the prospective method is utilized.

For collateralized mortgage obligations, asset-backed securities and pass-through certificates prepayment assumptions are adjusted periodically based upon actual historical and/or projected future cash flows, which are obtained from a nationally recognized securities data provider.

When unit prices published by the Securities Valuation Office were not available, the Company used Bloomberg and Financial Times Interactive Data, as well as broker quotes in determining the fair value of its loan-backed securities.

As a result of recording other-than-temporary impairments during 2010, the Company changed from the retrospective to prospective method for valuing the securities listed below.

Cusip

393505Z74
337925ET4
225458FE3
863576BV5

The following table provides aggregated information on structured securities classified on the basis for the recognized other-than-temporary impairments:

	<u>Amortized cost basis before other-than-temporary impairment</u>	<u>Other-than-temporary impairment recognized in loss</u>	<u>Amortized cost basis after other-than-temporary impairment</u>	<u>Fair Value</u>
Aggregate Intent & Ability to Retain	\$181,901,800	\$11,855,248	\$161,457,108	\$133,871,375

The above table does not reflect the impact of amortization and/or payment of principal that have occurred on securities that have multiple other-than-temporary impairments.

Loan-backed and structured securities with other-than-temporary impairments are as follows:

<u>Cusip</u>	<u>Amortized cost basis before other-than-temporary impairment</u>	<u>Projected Cash Flow</u>	<u>Other-than-temporary impairment recognized in loss</u>	<u>Amortized cost basis after other-than-temporary impairment</u>	<u>Fair Value</u>	<u>Impairment Quarter</u>
12545EAD8	\$ 20,934,501	\$16,645,220	\$ 4,289,281	\$ 16,645,220	\$11,778,176	Q3 - 2009
36298BAG5	34,074,003	33,524,092	549,911	33,524,092	24,547,714	Q3 - 2009
073882AY8	20,596,812	19,810,751	786,061	19,810,751	14,163,064	Q3 - 2009
52521RAE1	22,955,452	20,929,508	2,025,944	20,929,508	13,990,141	Q3 - 2009
362290AP3	41,907,628	41,761,117	146,511	41,761,117	34,834,253	Q3 - 2009
12545EAD8	15,939,226	15,459,935	479,291	15,459,935	11,119,490	Q4 - 2009
94983LAY3	17,234,892	16,758,673	476,219	16,758,673	12,941,325	Q4 - 2009
362290AP3	37,369,663	36,456,919	912,744	36,456,919	35,560,514	Q4 - 2009
36298BAG5	33,523,661	32,899,486	624,175	32,899,486	24,229,191	Q4 - 2009
073882AY8	19,182,360	18,721,842	460,518	18,721,842	12,884,905	Q4 - 2009
94984EAD4	9,923,857	9,840,625	83,232	9,840,625	9,124,865	Q4 - 2009
94983LAY3	16,784,797	16,676,380	108,417	16,676,380	13,333,015	Q1 - 2010
393505Z74	4,802,268	4,630,644	171,624	4,630,644	4,593,892	Q1 - 2010

NOTES TO FINANCIAL STATEMENTS

337925ET4	67,640	-	67,640	-	-	Q1 - 2010
94983LAY3	16,704,047	16,670,684	33,363	16,670,684	14,009,924	Q2 - 2010
073882AY8	17,494,539	17,337,138	157,402	17,337,138	13,241,364	Q2 - 2010
073882AY8	15,647,474	15,171,266	476,208	15,171,266	12,225,784	Q4 - 2010
225458FE3	6,759,455	6,755,403	4,051	6,755,403	6,386,245	Q4 - 2010
863576BV5	2,645,293	2,642,638	2,655	2,642,638	2,631,330	Q4 - 2010

The gross unrealized investment losses and related fair value for impaired securities for which an other-than-temporary impairment has not been recognized as a realized loss were as follows:

	Less Than 12 Months		12 Months or Longer		Total	
	Fair Value	Gross Unrealized Loss	Fair Value	Gross Unrealized Loss	Fair Value	Gross Unrealized Loss
Loan-backed securities	\$ 8,028,429	\$ 15,326	\$ 799	\$ 16	\$ 8,029,228	\$ 15,342
Structured securities	435,863	148	138,615,064	18,963,087	139,050,927	18,963,235

When determining whether or not to recognize an other-than-temporary impairment, the Company considers estimated cash flows, the investee's current financial condition, liquidity, near term recovery prospects, and other relevant information, including the outlook for the business sectors in which the investee operates.

E. Repurchase Agreements and/or Securities Lending Transactions:

The Company requires collateral equal to at least 102% of the market value of the loaned security plus accrued interest. The Company accepts only cash as collateral for securities on loan and restricts the manner in which that cash is invested to U.S. Treasury securities and U.S. Treasury repurchase agreements.

Securities Lending as of December 31, 2010:

Aggregate Cash Collateral Reinvestment

<u>Maturity</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
30 Days or Less	\$33,831,000	\$33,831,000

F. Real Estate

On March 31, 2010, the Company sold one of fifteen warehouses it owns in Houston, Texas and recognized a gain of \$2,825,486.

On September 22, 2010, the Company sold its parcel of undeveloped land in New Orleans, Louisiana and recognized a gain of \$223,826.

G. Investments in Low-Income Housing Tax Credits (LIHTC):

The Company has investments in certain state sponsored LIHTC properties. The state sponsored LIHTC property investments primarily generate premium tax credits which allow the Company to offset premium taxes in Georgia and are available through 2013.

Management of the Company is not aware of any of the LIHTC investments and related properties being the subject of any state regulatory reviews.

Current LIHTC investments do not exceed 10% of the Company's total net admitted assets.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES**A. Not applicable.****B. Joint ventures, partnerships, and limited liability companies are recorded on a lag basis with changes in the Company's proportional share of equity recorded as an unrealized gain (loss), subject to testing for possible impairment. As part of the impairment testing process, the Company evaluates those assets for other-than-temporary impairments (OTTI) using financial information that is received from the respective joint venture, partnership, or limited liability company. The Company concluded that some of the aforementioned assets, as a result of deteriorating economic conditions, had OTTI and recorded a realized loss of \$55,992,097 with an offsetting entry to unrealized gains (losses). There was no impact to surplus as the change in unrealized gains (losses) was offset by the realized loss of the same amount.****7. INVESTMENT INCOME****A. Surplus excludes due and accrued investment income if amounts are over 180 days past due for mortgage loans and over 90 days past due for all other invested assets.****B. At December 31, 2010, the Company had no past due accrued investment income.****8. DERIVATIVE INSTRUMENTS**

The Company uses exchange traded financial futures contracts (U.S. Treasury note futures contracts) in connection with macrohedges intended to reduce interest rate risk by adjusting portfolio duration. See Schedule DB - Part D for additional information.

Margin payments are required to enter a futures contract and contract gains or losses are settled daily in cash. The contract amount of futures contracts represents the extent of the Company's involvement, but not future cash requirements, as open positions are typically closed out prior to the delivery date of the contract.

The Company uses financial futures contracts as a means of hedging exposure to interest rate risk on existing assets. The Company does not hold or issue derivative instruments for trading purposes.

NOTES TO FINANCIAL STATEMENTS

9. INCOME TAXES

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

<u>December 31, 2010</u>			
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
1. a) Gross deferred tax assets	\$ 627,864,668	\$ 99,370,702	\$ 727,235,370
b) Statutory valuation allowance adjustment	-	-	-
c) Adjusted gross deferred tax assets	<u>627,864,668</u>	<u>99,370,702</u>	<u>727,235,370</u>
d) Deferred tax liabilities (DTL)	<u>(114,237,785)</u>	<u>(66,858,293)</u>	<u>(181,096,078)</u>
e) Subtotal (net deferred tax assets)	513,626,883	32,512,409	546,139,292
f) Deferred tax assets nonadmitted	<u>(151,464,118)</u>	<u>(30,164,675)</u>	<u>(181,628,793)</u>
g) Net admitted deferred tax asset (liability)	<u>\$ 362,162,765</u>	<u>\$ 2,347,734</u>	<u>\$ 364,510,499</u>

<u>December 31, 2009</u>			
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a) Gross deferred tax assets	\$ 688,637,020	\$ 97,937,025	\$ 786,574,045
b) Statutory valuation allowance adjustment	-	-	-
c) Adjusted gross deferred tax assets	<u>688,637,020</u>	<u>97,937,025</u>	<u>786,574,045</u>
d) Deferred tax liabilities	<u>(111,800,953)</u>	<u>(46,108,096)</u>	<u>(157,909,049)</u>
e) Subtotal (net deferred tax assets)	576,836,067	51,828,929	628,664,996
f) Deferred tax assets nonadmitted	<u>(200,735,811)</u>	<u>(47,113,808)</u>	<u>(247,849,619)</u>
g) Net admitted deferred tax asset (liability)	<u>\$ 376,100,256</u>	<u>\$ 4,715,121</u>	<u>\$ 380,815,377</u>

<u>Change</u>			
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a) Gross deferred tax assets	\$ (60,772,352)	\$ 1,433,677	\$ (59,338,675)
b) Statutory valuation allowance adjustment	-	-	-
c) Adjusted gross deferred tax assets	<u>(60,772,352)</u>	<u>1,433,677</u>	<u>(59,338,675)</u>
d) Deferred tax liabilities	<u>(2,436,832)</u>	<u>(20,750,197)</u>	<u>(23,187,029)</u>
e) Subtotal (net deferred tax assets)	(63,209,184)	(19,316,520)	(82,525,704)
f) Deferred tax assets nonadmitted	<u>49,271,693</u>	<u>16,949,133</u>	<u>66,220,826</u>
g) Net admitted deferred tax asset (liability)	<u>\$ (13,937,491)</u>	<u>\$ (2,367,387)</u>	<u>\$ (16,304,878)</u>

2. The Company has elected to admit deferred tax assets (DTA) pursuant to SSAP No. 10R for 2010 and 2009.

3. The increase in the admitted DTA as the result of SSAP No. 10R is as follows:

	<u>With SSAP 10R (10e)</u>	<u>Without SSAP 10R (10e)</u>	<u>Change</u>
Admitted DTA – Ordinary	\$ 362,162,765	\$ 251,622,875	\$ 110,539,890
Admitted DTA – Capital	<u>2,347,734</u>	<u>782,578</u>	<u>1,565,156</u>
Total Admitted DTA	<u>\$ 364,510,499</u>	<u>\$ 252,405,453</u>	<u>\$ 112,105,046</u>

4. The amount of each result or component of the deferred tax calculation as determined in SSAP No. 10R paragraph 10 is as follows:

<u>Admission Calculation Components</u>			
<u>SSAP No. 10R, paragraphs 10.a., 10.b., and 10.c.:</u>			
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a) Paragraph 10.a.	\$ 251,622,875	\$ -	\$ 251,622,875
b) Paragraph 10.b. (the lesser of paragraph 10.b.i. and 10.b.ii. below)	-	782,578	782,578
c) Paragraph 10.b.i.	-	782,578	782,578
d) Paragraph 10.b.ii.	xxxx	xxxx	613,643,491
e) Paragraph 10.c.	<u>114,237,785</u>	<u>66,858,293</u>	<u>181,096,078</u>
f) Total (a+b+e)	365,860,660	67,640,871	433,501,531
DTL netted against DTA	<u>(114,237,785)</u>	<u>(66,858,293)</u>	<u>(181,096,078)</u>
Total	<u>\$ 251,622,875</u>	<u>\$ 782,578</u>	<u>\$ 252,405,453</u>

<u>Admission Calculation Components</u>			
<u>SSAP No. 10R, paragraph 10.e.:</u>			
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
g) Paragraph 10.e.i.	\$ 322,480,740	\$ -	\$ 322,480,740
h) Paragraph 10.e.ii. (the lesser of paragraph 10.e.ii.a and 10.e.ii.b. below)	39,682,025	2,347,734	42,029,759
i) Paragraph 10.e.ii.a.	39,682,025	2,347,734	42,029,759
j) Paragraph 10.e.ii.b.	xxxx	xxxx	920,465,236
k) Paragraph 10.e.iii.	<u>114,237,785</u>	<u>66,858,293</u>	<u>181,096,078</u>
l) Total (g+h+k)	476,400,550	69,206,027	545,606,577
DTL netted against DTA	<u>(114,237,785)</u>	<u>(66,858,293)</u>	<u>(181,096,078)</u>
Total	<u>\$ 362,162,765</u>	<u>\$ 2,347,734</u>	<u>\$ 364,510,499</u>

NOTES TO FINANCIAL STATEMENTSAdmission Calculation Components
SSAP No. 10R, paragraphs 10.a., 10.b., and 10.c.:December 31, 2009

	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a) Paragraph 10.a.	\$ 259,243,145	\$ -	\$ 259,243,145
b) Paragraph 10.b. (the lesser of paragraph 10.b.i. and 10.b.ii. below)	-	1,571,707	1,571,707
c) Paragraph 10.b.i.	-	1,571,707	1,571,707
d) Paragraph 10.b.ii.	xxxx	xxxx	604,251,132
e) Paragraph 10.c.	<u>111,800,953</u>	<u>46,108,096</u>	<u>157,909,049</u>
f) Total (a+b+e)	371,044,098	47,679,803	418,723,901
DTL netted against DTA	<u>(111,800,953)</u>	<u>(46,108,096)</u>	<u>(157,909,049)</u>
Total	<u>\$ 259,243,145</u>	<u>\$ 1,571,707</u>	<u>\$ 260,814,852</u>

Admission Calculation Components
SSAP No. 10R, paragraph 10.e.:

g) Paragraph 10.e.i.	\$ 331,011,789	\$ -	\$ 331,011,789
h) Paragraph 10.e.ii (the lesser of paragraph 10.e.ii.a. and 10.e.ii.b. below)	45,088,467	4,715,121	49,803,588
i) Paragraph 10.e.ii.a.	45,088,467	4,715,121	49,803,588
j) Paragraph 10.e.ii.b.	xxxx	xxxx	906,376,698
k) Paragraph 10.e.iii.	<u>111,800,953</u>	<u>46,108,096</u>	<u>157,909,049</u>
l) Total (g+h+k)	487,901,209	50,823,217	538,724,426
DTL netted against DTA	<u>(111,800,953)</u>	<u>(46,108,096)</u>	<u>(157,909,049)</u>
Total	<u>\$ 376,100,256</u>	<u>\$ 4,715,121</u>	<u>\$ 380,815,377</u>

Admission Calculation Components
SSAP No. 10R, paragraphs 10.a., 10.b., and 10.c.:Change

	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a) Paragraph 10.a.	\$ (7,620,270)	\$ -	\$ (7,620,270)
b) Paragraph 10.b. (the lesser of paragraph 10.b.i. and 10.b.ii. below)	-	(789,129)	(789,129)
c) Paragraph 10.b.i.	-	(789,129)	(789,129)
d) Paragraph 10.b.ii.	xxxx	xxxx	9,392,359
e) Paragraph 10.c.	<u>2,436,832</u>	<u>20,750,197</u>	<u>23,187,029</u>
f) Total (a+b+e)	(5,183,438)	19,961,068	14,777,630
DTL netted against DTA	<u>(2,436,832)</u>	<u>(20,750,197)</u>	<u>(23,187,029)</u>
Total	<u>\$ (7,620,270)</u>	<u>\$ (789,129)</u>	<u>\$ (8,409,399)</u>

Admission Calculation Components
SSAP No. 10R, paragraph 10.e.:

g) Paragraph 10.e.i.	\$ (8,531,049)	\$ -	\$ (8,531,049)
h) Paragraph 10.e.ii. (the lesser of paragraph 10.e.ii.a. and 10.e.ii.b. below)	(5,406,442)	(2,367,387)	(7,773,829)
i) Paragraph 10.e.ii.a.	(5,406,442)	(2,367,387)	(7,773,829)
j) Paragraph 10.e.ii.b.	xxxx	xxxx	14,088,538
k) Paragraph 10.e.iii.	<u>2,436,832</u>	<u>20,750,197</u>	<u>23,187,029</u>
l) Total (g+h+k)	(11,500,659)	18,382,810	6,882,151
DTL netted against DTA	<u>(2,436,832)</u>	<u>(20,750,197)</u>	<u>(23,187,029)</u>
Total	<u>\$ (13,937,491)</u>	<u>\$ (2,367,387)</u>	<u>\$ (16,304,878)</u>

Risk-based capital used in SSAP No. 10R. paragraph 10.d.:

	<u>December 31, 2010</u>	<u>December 31, 2009</u>	<u>Change</u>
Total adjusted capital	\$ 5,681,992,577	\$ 6,459,004,495	\$ (777,011,918)
Authorized control level risk-based capital	1,020,746,590	1,053,858,075	(33,111,485)

5. SSAP No. 10R, paragraphs 10.a., 10.b., and 10.c.:

December 31, 2010

	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a) Admitted DTA	\$ 251,622,875	\$ 782,578	\$ 252,405,453
b) Admitted assets	xxxx	xxxx	18,356,919,227
c) Adjusted statutory surplus (surplus used for limitation)	xxxx	xxxx	6,136,434,908
d) Total adjusted capital from DTA	xxxx	xxxx	112,105,046

Increases due to SSAP No. 10R, paragraph 10.e.:

e) Admitted DTA	110,539,890	1,565,156	112,105,046
f) Admitted assets	110,539,890	1,565,156	112,105,046
g) Statutory surplus	110,539,890	1,565,156	112,105,046

December 31, 2009

SSAP No. 10R, paragraphs 10.a., 10.b., and 10.c.:

	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a) Admitted DTA	\$ 259,243,145	\$ 1,571,707	\$ 260,814,852
b) Admitted assets	xxxx	xxxx	19,223,082,666
c) Adjusted statutory surplus (surplus used for limitation)	xxxx	xxxx	6,042,511,320
d) Total adjusted capital from DTA	xxxx	xxxx	120,000,525

Increases due to SSAP No. 10R, paragraph 10.e.:

e) Admitted DTA	116,857,111	3,143,414	120,000,525
f) Admitted assets	116,857,111	3,143,414	120,000,525
g) Statutory surplus	116,857,111	3,143,414	120,000,525

NOTES TO FINANCIAL STATEMENTS

	<u>Change</u>		
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
SSAP No. 10R, paragraphs 10.a., 10.b., and 10.c.:			
a) Admitted DTA	\$ (7,620,270)	\$ (789,129)	\$ (8,409,399)
b) Admitted assets	xxxx	xxxx	(866,163,439)
c) Adjusted statutory surplus (surplus used for limitation)	xxxx	xxxx	93,923,588
d) Total adjusted capital from DTA	xxxx	xxxx	(7,895,479)

Increases due to SSAP No. 10R, paragraph 10.e.:

e) Admitted DTA	(6,317,221)	(1,578,258)	(7,895,479)
f) Admitted assets	(6,317,221)	(1,578,258)	(7,895,479)
g) Statutory surplus	(6,317,221)	(1,578,258)	(7,895,479)

	<u>December 31, 2010</u>		
	<u>Ordinary Percent</u>	<u>Capital Percent</u>	<u>Total</u>
6. Impact of Tax Planning Strategies:			
a) Adjusted gross DTA (% of total adjusted gross DTA)	0%	0%	
b) Net admitted adjusted gross DTA (% of total net admitted adjusted gross DTA)	0%	0%	

B. DTL not recognized for the following amounts:

Not applicable.

C. The provisions for incurred tax on earnings are as follows:

	<u>December 31, 2010</u>	<u>December 31, 2009</u>	<u>Change</u>
1. Federal	\$ 160,769,295	\$ 260,748,146	\$ (99,978,851)
Foreign	16,590,985	13,477,333	3,113,652
Subtotal	177,360,280	274,225,479	(96,865,199)
Federal income taxes on net capital gains	3,386,984	(22,277,863)	25,664,847
Federal and foreign income taxes incurred	<u>\$ 180,747,264</u>	<u>\$ 251,947,616</u>	<u>\$ (71,200,352)</u>

2. The tax effects of temporary differences that give rise to significant portions of the DTA and DTL are as follows:

	<u>December 31, 2010</u>	<u>December 31, 2009</u>	<u>Change</u>
DTA:			
<u>Ordinary:</u>			
Discounting of unpaid losses	\$ 266,191,131	\$ 310,467,038	\$ (44,275,907)
Unearned premium reserve	148,988,905	144,480,591	4,508,314
Investments	80,237,437	94,284,007	(14,046,570)
Net operating loss carry-forward	20,557,576	24,411,370	(3,853,794)
Other	111,889,619	114,994,014	(3,104,395)
Total DTA - ordinary	627,864,668	688,637,020	(60,772,352)
Statutory valuation allowance adjustment	-	-	-
Nonadmitted DTA	(151,464,118)	(200,735,811)	49,271,693
Admitted ordinary DTA	<u>\$ 476,400,550</u>	<u>\$ 487,901,209</u>	<u>\$ (11,500,659)</u>
<u>Capital:</u>			
Investments	\$ 99,370,702	\$ 97,937,025	\$ 1,433,677
Total DTA - capital	99,370,702	97,937,025	1,433,677
Statutory valuation allowance adjustment	-	-	-
Nonadmitted DTA	(30,164,675)	(47,113,808)	16,949,133
Admitted capital DTA	69,206,027	50,823,217	18,382,810
Total admitted DTA	<u>\$ 545,606,577</u>	<u>\$ 538,724,426</u>	<u>\$ 6,882,151</u>
DTL:			
<u>Ordinary:</u>			
Investments	\$ 100,009,839	\$ 80,841,758	\$ 19,168,081
Other	14,227,946	30,959,195	(16,731,249)
Total ordinary DTL	114,237,785	111,800,953	2,436,832
<u>Capital:</u>			
Investments	\$ 66,858,293	\$ 46,108,096	\$ 20,750,197
Total capital DTL	66,858,293	46,108,096	20,750,197
Total DTL	<u>181,096,078</u>	<u>157,909,049</u>	<u>23,187,029</u>
Net admitted DTA/(DTL)	<u>\$ 364,510,499</u>	<u>\$ 380,815,377</u>	<u>\$ (16,304,878)</u>

3. Deferred income taxes do not include any benefit from investment tax credits.

4. Deferred income taxes include a benefit of \$20,557,576 from net operating losses.

5. There are no adjustments to a DTA or DTL for enacted changes in tax laws or rates or a change in the tax status of the Company.

NOTES TO FINANCIAL STATEMENTS

6. There are no adjustments to gross DTA because of change in circumstances that causes a change in judgment about the realizability of the related DTA.

The change in net deferred income taxes is comprised of the following:

	<u>December 31, 2010</u>	<u>December 31, 2009</u>	<u>Change</u>
Total DTA	\$ 727,235,370	\$ 786,574,045	\$ (59,338,675)
Total DTL	(181,096,078)	(157,909,049)	(23,187,029)
Net DTA/(DTL)	<u>\$ 546,139,292</u>	<u>\$ 628,664,996</u>	(82,525,704)
Tax effect of unrealized gains (losses)			<u>37,692,651</u>
Change in net deferred income tax			<u>\$ (44,833,053)</u>

- D. The provision for federal and foreign income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate before income tax. The significant items causing this difference are as follows:

	<u>December 31, 2010</u>
Pretax net income (loss)	\$ 1,093,237,751
Taxes at statutory rate	\$ 382,633,213
Increase (decrease) attributable to:	
Nontaxable investment income	(164,156,136)
Other	<u>7,103,240</u>
	<u>\$ 225,580,317</u>
Federal and foreign taxes incurred	\$ 180,747,264
Change in net deferred taxes	<u>44,833,053</u>
Total statutory income tax	<u>\$ 225,580,317</u>
Effective tax rate	20.6%

- E. 1. The Company has net operating loss carryforwards of \$58,735,928 that expire in year 2018.
2. The Company has \$177,025,714 and \$249,542,924 of federal income tax from the current and prior tax year respectively, available for recoupment in the event of future losses.
3. The Company has no protective tax deposits with the Internal Revenue Service under Section 6603 of the Internal Revenue Service Code.
- F. 1. The Company is included in a consolidated federal income tax return with its ultimate parent company, The Travelers Companies, Inc. (TRV). A list of the entities included with the Company in a consolidated federal income tax return filing is attached.
2. The Company is a party to a tax allocation agreement that sets forth the manner in which total consolidated federal income tax is allocated among companies included in the consolidated return. Member companies included in the TRV consolidated return are allocated taxes annually based upon their separate taxable income. Companies with a current federal income tax receivable from TRV will receive settlement to the extent that such receivables are for tax benefits that have been utilized in the consolidated federal income tax return. Member companies are reimbursed by TRV in the event the Internal Revenue Service levies upon a member's assets for unpaid taxes in excess of the amount specifically allocated to a member.

In the event that the consolidated group develops an Alternative Minimum Tax (AMT), each company with an AMT on a separate company basis will be allocated a portion of the consolidated AMT. Settlement of the AMT will be made in the same manner and timing as the regular federal income tax.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES AND OTHER RELATED PARTIES

- A-C. (1) In December 2010, the Company sold \$61.0 million and \$50.5 million of securities to its subsidiary and affiliate, St. Paul Mercury Insurance Company (Mercury) and The Travelers Indemnity Company (Indemnity), respectively. See Schedule D – Part 4 for additional detail.
- (2) On December 20, 2010, the Company made a capital contribution of \$62 million to its subsidiary, Mercury.
- (3) On November 1, 2010 in accordance with a "Plan of Merger" and in connection with and as part of a series of related transactions as contemplated by and described in the "Agreement and Plan of Restructuring" by and among Fidelity and Guaranty Insurance Underwriters, Inc. (FGIU), Travelers Auto Insurance Co. of New Jersey (TNJ), United States Fidelity and Guaranty Company (USF&G), the Company, TRV, Travelers Property Casualty Corp. (TPC), Travelers Insurance Group Holdings Inc. (TIGHI), Indemnity, and First Trenton Indemnity Company (FTI), TNJ merged with and into FGIU. At the time of this merger TNJ had a statutory carrying value of \$65,657,328.

As part of these transactions, FTI distributed 100% of the common shares of TNJ to its parent, Indemnity, which in turn distributed these same shares to TIGHI. TIGHI then distributed 100% of the common shares of TNJ to its sole shareholder, TPC which in turn distributed these same shares to TRV. Each of these transactions qualifies as a tax-free spin-off distribution under Section 355 of the Internal Revenue Code.

In accordance with the "Plan of Merger", TNJ then merged with and into FGIU at which time all issued and outstanding shares of TNJ were converted into and exchanged for 84,349 shares of FGIU. TRV then contributed all common stock shares received in the exchange to the Company which in turn contributed these shares to its subsidiary, USF&G. Following this merger, USF&G continues to own 100% of the issued and outstanding common stock of FGIU. The statutory merger method was utilized in merging the two entities, of which FGIU was the surviving entity.

- (4) On February 1, 2010, the Company purchased \$277.3 million of securities from its parent, TRV. See Schedule D – Part 3 for additional detail.
- (5) On October 1, 2009 in accordance with the "Articles of Merger" dated September 25, 2009, the Company's wholly-owned subsidiary St. Paul Properties, Inc. merged with the Company, with the Company being the surviving entity. St. Paul Properties, Inc 1,000 shares of common capital stock issued and outstanding were surrendered and extinguished on the effective date of the merger. As a result of this merger the following companies, 350 Market Street, English Turn Realty Management, Inc., and English Turn Fidelity Realty, Inc. became direct subsidiaries of the Company. This merger had no impact on the Company's surplus.

NOTES TO FINANCIAL STATEMENTS

- (6) On January 2, 2009 in accordance with a Plan of Merger and in connection with and as part of a series of related transactions as contemplated by and described in the "Agreement and Plan of Restructuring" dated October 15, 2008, the Company's subsidiary Seaboard Surety Company (Seaboard) merged with and into Travelers Casualty and Surety Company of America (America), with America being the surviving corporation. The statutory merger method was utilized in merging the two entities. At the time of this merger Seaboard had a statutory carrying value of \$138,731,885.

As part of these transactions the Company distributed 100% of the common shares of Seaboard to its sole shareholder and parent TRV. The transaction qualified as a tax-free spin-off distribution under Section 355 of the Internal Revenue Code and was reported as a return of capital of \$103,481,322 and a dividend of \$35,250,563 resulting in a decrease in the Company's surplus. In accordance with the "Plan of Merger, Seaboard then merged with and into America at which time all issued and outstanding shares of Seaboard were exchanged for 400 shares of America. TRV then contributed the 400 shares as a capital contribution to Travelers Property Casualty Corp. (TPC). TPC then contributed the 400 shares to Travelers Insurance Group Holdings Inc. (TIGHI) which in turn contributed the 400 shares to America's parent Travelers Casualty and Surety Company .

Schedule Y - Part 2 summarizes the net flow of funds among affiliates for various types of transactions between affiliates. Regulatory prior approval and/or prior notification has been satisfied for any transaction requiring such action.

The following are general business arrangements that result in or are used for transactions with affiliates in the normal course of business:

1. The principal banking functions for the property-casualty operations of TRV and some or all of its affiliated property-casualty insurance companies are handled by Indemnity. Settlements between the companies are made at least monthly.
 2. TRV maintains a private short-term investment pool, known as the Travelers Money Market Liquidity Pool (TRVMMLP), in which affiliated companies may participate. This pool is managed by Indemnity. Each company may convert its position in the pool into cash at any time and may also use its position in the pool to settle transactions with other affiliated participants in the pool. The position of each company in the pool is calculated and adjusted daily. Each participating insurance company carries its share of the pool as a short-term investment in Schedule DA. At December 31, 2010 and 2009, the TRVMMLP totaled \$5.4 billion and \$4.6 billion, respectively.
- D. (1) At December 31, 2010 and 2009, the Company had \$156,947,425 and \$64,076,901 payable to affiliates, respectively. Accounts between and among the Company and its affiliates are settled on a daily basis through the TRVMMLP or cash. Any items open at the end of the month are settled in the following month.
- (2) As described in Note 1, in 2010 the Company changed the presentation of the reporting for unsettled affiliated reinsurance balances in the balance sheet.

The Company participates in an intercompany reinsurance pooling agreement as described in Note 26. The following represents the unsettled balances resulting from affiliated reinsurance that are reported in the respective balance sheet accounts:

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Uncollected premiums and agents' balances in course of collection	\$ 265,999,028	\$ 123,517,483
Amounts recoverable from reinsurers	82,425,404	81,657,664
Reinsurance payable on paid losses and loss adjustment expenses	300,700,044	257,340,766

These balances were settled net through the intercompany settlement process during January 2011 and January 2010, respectively.

E. Guarantees or undertakings, including the company and any affiliates:

1. Effective May 27, 2010, an affiliate of the Company, a real estate joint venture in which the Company is invested, assumed a mortgage for property held by the real estate joint venture. The Company entered into a payment guarantee for the mortgage and provided several indemnifications to the lender including indemnifications for environmental liabilities should the lender be held responsible. The maximum principal for the mortgage, which is secured by the property, was \$81 million and the other indemnifications including the environmental guarantee are not limited. The Company is joint and severally liable for these indemnities and guarantees with the third party joint venture investor. Concurrent with assuming the mortgage, the Company entered into a contribution agreement with the joint venture investor to allow the Company to recover its share of the indemnities and guarantees, if required.
2. Effective July 7, 2006, an affiliate of the Company assumed a construction loan and the Company has guaranteed payment of the construction loan and provided indemnification to the lender in the event of environmental liabilities for which the lender is held responsible. The maximum for the construction loan was \$9.4 million and the environmental guarantee is not limited.
3. In a guaranty agreement dated August 31, 2000, the Company guarantees the timely payment of all obligations of St. Paul (Bermuda) Ltd., with respect to policies of insurance issued to clients of Marsh USA Inc. up to a maximum of \$50.0 million. On July 1, 2010, St. Paul (Bermuda) Ltd., St. Paul Re (Bermuda) Ltd. and Travelers (Bermuda) Limited were amalgamated into one Bermuda company under the name Travelers (Bermuda) Limited. The guarantee was amended on June 30, 2010 to limit the Company's guarantee to only those obligations of St. Paul (Bermuda) Ltd. that existed prior to the amalgamation. The Company also waived certain rights in the amended guarantee until all creditors of St. Paul Re (Bermuda) Ltd and Travelers (Bermuda) Limited at the time of the amalgamation have been paid in full.
4. In a guaranty agreement dated July 1, 2000, the Company guarantees the payment of USF&G's obligations under insurance and reinsurance contracts issued by USF&G on or after the date of the agreement. The company may terminate this guaranty at any time upon 90 days prior notice or other specified circumstances.
5. Effective September 30, 1997, the Company entered into an unconditional guaranty that St. Paul Medical Liability Insurance Company, a downstream subsidiary, would maintain required capital and surplus, each in the amount of \$2.5 million, as a condition of becoming licensed in the State of Maine.
6. Effective May 15, 1996, the Company provided a guaranty of the performance by its wholly-owned subsidiary, Seaboard, a New York domiciled insurance company, of all Seaboard's financial obligations arising out of its insurance or reinsurance contracts. The guaranty may be amended at any time upon three months' prior notice. On January 2, 2009, Seaboard was merged into America. The terms of the guarantee remain in effect.

NOTES TO FINANCIAL STATEMENTS

7. Effective December 10, 1993, the Company has guaranteed the performance by St. Paul Travelers International Insurance Company Limited (St. Paul Limited), an affiliate incorporated in England, of all St. Paul Limited's obligations arising out of its insurance or reinsurance contracts. Effective March 1, 2006, these guarantees were amended whereby the Company may terminate them at any time upon twelve months prior notice. Effective December 31, 2007, pursuant to the order of English Court, made on December 31, 2007, under Part VII of the Financial Services & Markets Act, obligations relating to certain business as of December 31, 2007, were transferred to Unionamerica Insurance Company Limited (Unionamerica), an affiliate of St. Paul Limited. This resulted in those obligations no longer being covered by the guarantees. The guarantees will remain in force, however, for the obligations arising out of insurance or reinsurance contracts not transferred to Unionamerica and for business subsequently written by St. Paul Limited. In December 2008, Unionamerica was sold to an unaffiliated entity.
8. Effective September 28, 1993, the Company guaranteed the performance by St. Paul Reinsurance Company Limited (St. Paul Re Ltd.), an affiliate incorporated in England, of all of St. Paul Re Ltd.'s obligations arising out of its insurance or reinsurance contracts. The Company could terminate this guarantee at any time upon six months prior notice. Effective June 15, 2007, the guarantee was terminated prospectively but the guarantee remained in force with respect to prior obligations of St. Paul Re Ltd. Pursuant to the order of English Court made on December 13, 2007, under Part VII of the Financial Services & Markets Act, all relevant obligations of St. Paul Re Ltd, as of December 31, 2007, were transferred to Unionamerica, an affiliate of St. Paul Ltd. This resulted in the transferred obligations no longer being covered by the guarantee. In December 2008, Unionamerica was sold to an unaffiliated entity.
9. The Company guaranteed the timely payment of Discover Reinsurance Company's (Discover Re) obligations with respect to all insurance policies and reinsurance policies issued by Discover Re. On October 1, 2007, Discover Re was merged into Indemnity. The merger resulted in the automatic termination of the guarantee with respect to any future claims. However, the Company continues to guarantee to Indemnity all obligations of Discover Re incurred before the termination date.
10. In a guarantee agreement dated February 9, 2009, the Company has guaranteed certain pension obligations of Travelers Special Services Limited, a wholly-owned subsidiary. The guarantee is not limited in amount and expires once all obligations have been met.
11. The Company is the owner of all the beneficial interests represented by common securities of three business trusts. The trusts exist for the sole purpose of issuing capital securities and common securities and investing the proceeds thereof in deferrable interest junior subordinated debentures. These debentures are held by TRV. The Company fully, irrevocably and unconditionally guaranteed all of the trusts obligations under the capital securities and guarantees the repayment of the subordinated debentures by its parent to the respective trusts.

- F. Material management or service contracts and cost sharing arrangements, involving the Company or any affiliate, other than cost allocation arrangements:

TYPE OF CONTRACT AND DESCRIPTION	SERVICING COMPANY	OTHER PARTY
Expense Allocation	The Travelers Indemnity Company	Travelers P&C ¹
Reinsurance Allocation	The Travelers Indemnity Company	Travelers P&C ¹

¹ "Travelers P&C" includes The Travelers Indemnity Company and some or all of its insurance subsidiaries and affiliates.

- G. All of the issued and outstanding common stock of the Company is owned by TRV, a publicly traded insurance holding company, the organization of which is shown in Schedule Y - Part 1.

H. Not applicable.

- I. The Company owns 100% of USF&G, whose carrying value exceeds 10% of the admitted assets of the Company. The Company carries its investment in USF&G at USF&G's statutory equity. The statement value of USF&G assets and liabilities as of December 31, 2010 were \$4.6 billion and \$2.1 billion, respectively. USF&G's net income was \$313.3 million for the year ended December 31, 2010.

J. Not applicable.

K. Not applicable.

- L. The Company directly owns Northbrook Holdings, Inc. (Northbrook), a downstream noninsurance holding company. Northbrook directly owns Discover Property & Casualty Insurance Company (DPCIC) and St. Paul Protective Insurance Company (SPPIC), both Illinois domiciled insurers.

- (1) The carrying value of the Company's investment in Northbrook was \$296,572,362 at December 31, 2010.
- (2) The Company has not obtained an audit of Northbrook's financial statements.
- (3) The Company has limited the carrying value of its investment in Northbrook to the value contained in the statutory audited financial statements of DPCIC and SPPIC, including any adjustments required by SSAP No. 97, *Investments in Subsidiary, Controlled and Affiliated Entities, A Replacement of SSAP No. 88*.
- (4) Northbrook does not have any material assets other than the ownership of its insurance subsidiaries. Northbrook does not have any material direct liabilities, commitments, contingencies, guarantees or obligations that are required to be reported.

11. DEBT

Not applicable.

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

A. Defined Benefit Plans:

Not applicable.

B. Defined Contribution Plans:

Not applicable.

C. Multiemployer Plans:

Not applicable.

NOTES TO FINANCIAL STATEMENTS

D. Consolidated/Holding Company Plans:

1. Employee Retirement Plans:

The Company participates in a qualified noncontributory defined benefit pension plan sponsored by TRV that provides benefits, primarily under a cash balance formula, for substantially all employees of the Company and its property-casualty affiliates. In addition the Company participates in a nonqualified defined benefit pension plan sponsored by TRV which covers certain highly-compensated employees of the Company and its property-casualty affiliates. The Company has no legal obligation for benefits under these plans. The Company is charged for its allocable share of pension expense for these plans based on its allocated and/or direct salary costs in accordance with an expense allocation agreement. The Company's allocated share of the pension expense was \$21,433,904 and \$9,539,729 for 2010 and 2009, respectively.

2. Postretirement Benefit Plan:

The Company participates in a postretirement health and life insurance benefit plan sponsored by TRV for employees of the Company and its property-casualty affiliates that satisfy certain age and service requirements and for certain retirees. The Company has no legal obligation for benefits under this plan. The Company is charged for its allocable share of postretirement benefit expense for this plan based on its allocated and/or direct salary costs in accordance with an expense allocation agreement. The Company's allocated share of the postretirement benefit expense was \$2,881,091 and \$3,505,083 for 2010 and 2009, respectively.

3. Deferred Compensation Plans:

The Company participates in a 401(k) savings plan sponsored by TRV for substantially all employees of the Company and its property-casualty affiliates. The Company has no legal obligation for benefits under this plan. The Company is charged for its allocable share of expense for this plan based on its allocated and/or direct salary costs in accordance with an expense allocation agreement. The Company's allocated share of the 401(k) savings plan expense was \$20,680,235 and \$22,015,975 for 2010 and 2009, respectively.

E. Postemployment Benefits and Compensated Absences:

Not applicable.

F. Impact of Medicare Modernization Act on Postretirement Benefits:

Not applicable.

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

The Company has 200,000 shares of common capital stock authorized, issued and outstanding with a par value of \$100 per share.

In 2010 the Company paid extraordinary dividends of \$1.846 billion to TRV.

On January 2, 2009 the Company distributed 100% of the common shares of Seaboard to its sole shareholder and parent TRV. The transaction qualified as a tax-free spin-off distribution under Section 355 of the Internal Revenue Code and was reported as a return of capital of \$103,481,322 and a dividend of \$35,250,563. In addition, the Company paid extraordinary dividends of \$638.8 million and ordinary dividends of \$675.2 million to TRV in 2009.

Dividends to shareholders and the proportion of the profits of the Company that may be paid to shareholders are not limited by charter. The maximum amount of dividends which can be paid by Connecticut insurance companies to shareholders without prior approval of the domiciliary Insurance Commissioner is subject to restrictions relating to statutory surplus or net income. The maximum amount of dividends to shareholders that can be made by the end of 2011 without prior approval is \$912,490,000. However, TRV may decide to accelerate the timing within 2011 and/or increase the amount of dividends from its subsidiaries in 2011 which could result in certain of the Company's dividends being subject to approval by the Connecticut Insurance Department.

There are no restrictions on the use of the Company's unassigned surplus and such surplus is held for the benefit of the shareholder.

The change in the balance of special surplus from retroactive reinsurance is a result of ongoing activity occurring in 2010. See Note 23F for additional detail. In addition, special surplus was generated in 2009 from the Company's adoption of SSAP No. 10R. These additional admitted DTA's have fluctuated from prior year and are segregated as an aggregate write-in for special surplus funds. See Note 9 for additional detail.

Unassigned funds or surplus has been increased by cumulative net unrealized gains of \$1,766,425,520.

14. CONTINGENCIES

A. Contingent Commitments:

At December 31, 2010, the Company had commitments to fund investments of \$539.2 million.

B. Assessments:

The Company has accrued liabilities of \$58.3 million for guaranty fund and other insurance-related assessments (primarily second injury fund assessments) and related recoverables of \$1.6 million at December 31, 2010. The assessments are expected to be paid over a period ranging from one year to the life expectancy of certain workers' compensation claimants and the recoverables are expected to occur over the same period of time.

C. Gain Contingencies:

On August 20, 2010, in a reinsurance dispute in New York state court captioned *United States Fidelity & Guaranty Company v. American Re-Insurance Company et al.*, the trial court granted summary judgment for USF&G, awarding it \$251 million, plus pre-judgment interest in the amount of \$166 million. As USF&G is a participant in the Travelers Reinsurance Pool (TRV Pool), any recoverable is subject to the participation percentages of the TRV Pool (see Note 26). Accordingly, the Company's respective TRV Pool participation share of the \$251 million awarded by the court represents the amounts owed to the Company under the terms of the reinsurance agreements, and is reported as part of amounts recoverable from reinsurers. The Company's respective TRV Pool participation share of the interest awarded by the Court is treated for accounting purposes as a gain contingency in accordance with SSAP No. 5, *Liabilities, Contingencies and Impairment of Assets*, and accordingly has not been recognized in the Company's statutory financial statements.

NOTES TO FINANCIAL STATEMENTS**D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits:**

The Company paid \$2,212,500 in the reporting period on four claims to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits. The claim count information provided herein is disclosed on a per claim direct basis.

E. All Other Contingencies:

The Company has purchased annuities from life insurance companies to fund structured settlements. For a discussion of the Company's contingent liabilities for structured settlements, see Note 27.

In the process of selling business entities to third parties, the Company has agreed to indemnify purchasers for losses arising out of breaches of representations and warranties with respect to the business entities being sold, covenants and obligations of the Company and/or its subsidiaries following the close, and in certain cases obligations arising from undisclosed liabilities. Such indemnification provisions generally survive for periods ranging from the applicable closing date to the expiration of the relevant statutes of limitations, no term or in some cases agreed upon limitations. Certain of these contingent obligations are subject to deductibles which have to be incurred by the obligee before the Company is obligated to make payments.

In the ordinary course of business, the Company is a defendant or codefendant in various litigation matters. Although there can be no assurances, as of December 31, 2010, the Company believes, based on information currently available, that the ultimate resolution of these legal proceedings would not be likely to have a material adverse effect on its net income, financial condition or liquidity.

For a discussion of contingencies related to asbestos and environmental reserves, see Note 33.

15. LEASES**A. Lessee Leasing Arrangements:**

- At December 31, 2010, the Company is a party to various lease agreements for office space and office equipment. The office space and office equipment leases are for various periods of time. Total rental expense under operating leases for the Company for 2010 and 2009 was \$5,778,337 and \$10,475,455, respectively. Rental expenses incurred by the Company are subject to an intercompany expense allocation agreement.

There are numerous leases with renewal terms, none of which are material to the Company.

- Aggregate future minimum rental payments for leases having initial or remaining noncancelable lease terms in excess of one year for the Company totaled \$2,652,126 at December 31, 2010. Future minimum rental payments for each of the four succeeding years are as follows:

<u>Year</u>	<u>Operating Leases</u>
2011	\$ 1,531,339
2012	516,269
2013	379,781
2014	224,737

At December 31, 2010, aggregate future minimum rental payments to be received by the Company under noncancelable subleases totaled \$224,016.

- Sale-Leaseback Transactions:

Not applicable.

B. Lessor's Business Activities:

The Company maintains investments in commercial real estate. The land is carried at cost and the buildings at cost less accumulated depreciation and related encumbrances. The buildings are depreciated on a straight-line basis over a period of up to 39 years. The accumulated depreciation on real estate held for the production of income was \$353,490,203 and \$325,776,605 as of December 31, 2010 and 2009, respectively. On December 31, 2010, the Company has minimum annual lease payments receivable under noncancelable leasing arrangements as follows:

<u>Year</u>	<u>Operating Leases</u>
2011	\$ 104,313,218
2012	84,239,539
2013	67,031,016
2014	54,803,781
2015	40,569,595
2016 and later years	48,579,991

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

In the normal course of business, the Company has unfunded commitments to partnerships, limited liability companies, and venture capital entities. The off-balance-sheet risks of these financial instruments were \$539.2 million at December 31, 2010.

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES**A. Transfers of Receivables Reported as Sales:**

Not applicable.

B. Transfer and Servicing of Financial Assets:

The Company engages in securities lending activities from which it generates net investment income from the lending of certain of its investments to other institutions for short periods of time. Borrowers of these securities provide collateral equal to at least 102% of the market value of the loaned securities plus accrued interest. This collateral is held by a third party custodian, and the Company has the right to access the collateral only in the event that the institution borrowing the Company's securities is in default under the lending agreement. The loaned securities remain a recorded asset of the Company. The Company accepts only cash as collateral for securities on loan and restricts the manner in which that cash is invested to U.S. Treasury securities and U.S. Treasury repurchase agreements. These securities typically have a duration of 1 day. See Schedule D – Part 1 for identification and description of securities on loan.

NOTES TO FINANCIAL STATEMENTS

C. Wash Sales:

Not applicable.

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

Not applicable.

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

The Company did not have any direct premiums written through managing general agents (as defined in Appendix A-225 of the NAIC *Accounting Practices and Procedures Manual*) or third party administrators.

20. FAIR VALUE MEASUREMENTS

(1) Assets measured at Fair Value as of December 31, 2010:

Description	Level 1	Level 2	Level 3	Total
Bonds				
Industrial and Miscellaneous	\$ -	52,363,600	753,671	\$ 53,117,271
Preferred Stock				
Non-redeemable Preferred Stock	6,580,400	-	-	6,580,400
Common Stock	205,609,979	24,388,634	1,221,417	231,220,030
Total Assets at Fair Value	\$212,190,379	76,752,234	1,975,088	\$290,917,701

There were no significant transfers between level 1 and level 2.

(2) Assets measured at fair value using significant unobservable inputs:

	Balance at 01/01/2010	Transfers in level 3	Transfers out level 3	Total gains and (losses) included in net income	Total gains and (losses) included in surplus	Purchases Issuance, sales and settlements	Balance at 12/31/2010
Bonds	\$ 884,598	-	-	4,540	133,273	(268,740)	\$ 753,671
Common Stock	1,669,245	-	-	-	(447,828)	-	1,221,417
Total	\$ 2,553,843	-	-	4,540	(314,555)	(268,740)	\$ 1,975,088

(3) Not applicable.

(4) Bonds and preferred stocks were carried at fair value under the lower of cost or market requirement. These securities were generally priced by the SVO or by a third party organization.

The company holds common stock where fair value is based on observable market information rather than market quotes. Accordingly, the estimates of fair value for such common stock, are included in the amount disclosed in Level 2 of the hierarchy

The Company holds common stock where the fair value estimate is determined by an internal fund manager based on recent filings, operating results, balance sheet stability, growth and other business and market sector fundamentals. Due to the significant unobservable inputs in these valuations, the Company includes the total fair value estimate for all of these investments in level 3.

21. OTHER ITEMS

A. Extraordinary Items:

Not applicable.

B. Troubled Debt Restructuring:

Not applicable.

C. Other Disclosures:

Effective December 15, 2010, the Company changed its state of domicile from Minnesota to Connecticut. All required regulatory approvals were obtained by the Company.

The Company elected to use rounding in reporting amounts in this statement.

2010 Schedule P:

The 2000 and prior "Total Net Losses and Expenses Unpaid" (Schedule P - Part 1, Column 24, Line 1) is separately reported to accident year as follows (in thousands):

Schedule P	Accident Years				
	2000	1999	1998	1997	1996 & Prior
Part 1A	\$ 160	\$ (157)	\$ 167	\$ 192	\$ 495
Part 1B	1,060	(429)	235	295	67,146
Part 1C	2,458	2,312	930	2,769	7,019
Part 1D	108,232	81,570	96,309	77,366	863,042
Part 1E	13,245	17,751	13,119	7,837	73,609
Part 1F - Section 1	2,215	568	262	223	1,062
Part 1F - Section 2	8,195	4,790	788	2,463	5,161
Part 1G	3,300	921	1,424	1,210	3,802
Part 1H - Section 1	23,402	27,141	17,969	9,901	528,709
Part 1H - Section 2	10,803	5,126	5,164	4,347	22,908
Part 1M	540	121	-	-	38
Part 1N	1,238	960	487	291	845

NOTES TO FINANCIAL STATEMENTS

Part 1O	17,819	13,321	9,286	6,311	152,536
Part 1P	732	625	31	95	122
Part 1R - Section 1	21,775	19,823	12,055	4,795	380,306
Part 1R - Section 2	3,580	2,436	46	371	2,586

The following loss and/or LAE reserves have been assumed / (ceded) under retroactive reinsurance agreements. They are reported here by line of business and accident year to facilitate loss discounting under Internal Revenue Code Section 846 (in thousands):

	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
Commercial Auto	\$ (260)	\$ (406)	\$ (39)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Workers' Compensation	(2,294)	(1,481)	(447)	(14,958)	-	(345)	-	-	-
Commercial Multiple Peril	-	-	-	-	-	-	-	-	-
Medical Malpractice – CM	-	-	(6,867)	-	-	-	-	-	-
Special Liability	(6)	-	-	-	-	-	-	-	-
Other Liability – Occ	(1,240)	(1)	-	-	-	-	-	-	(42)
Other Liability – CM	(717)	(1,781)	-	-	-	-	-	-	-
Special Property	(20)	-	-	-	-	-	-	-	-
Other	(2)	-	-	-	-	-	-	-	-
Reinsurance A	(122)	-	-	-	-	-	-	-	-
Reinsurance B	(1,732)	-	-	-	-	-	-	-	-

D. Uncollectible Premium Balances:

Not applicable.

E. Business Interruption Insurance Recoveries:

Not applicable.

F. State Transferable Tax Credits:

Not applicable.

G. Subprime Mortgage Related Risk Exposure:

The Company defines exposure to subprime mortgage-backed securities as investments which contain loans to borrowers that exhibit one or more of the following characteristics at the time of issuance:

- low FICO scores,
- above prime interest rates,
- high loan-to-value ratios,
- high debt-to-income ratios,
- low loan documentation (e.g. limited or no verification of income and assets), or
- other characteristics that are inconsistent with conventional underwriting standards employed by government sponsored mortgage entities.

In addition, because of their high loan-to-value ratios, the Company has categorized second-lien mortgage-backed securities as subprime, regardless of the credit characteristics of the borrower on the underlying mortgage.

The Company reviews the credit characteristics of the loans that back these mortgage-backed securities when making the determination to categorize them as subprime exposure. Since the primary purpose of the investment portfolio is to fund future claim payments, the Company employs a conservative investment philosophy. In applying this philosophy to structured securities, including subprime mortgage-backed securities, the Company favors the purchase of senior credit tranches over junior or leveraged credit tranches.

Overall exposure to subprime mortgage-backed securities is sufficiently small in that the Company would likely have other securities available for liquidity needs. The Company utilizes discounted cash flow valuation analysis in its regular, ongoing review of its existing subprime mortgage portfolio, as well as in its analysis of subprime mortgage-backed bonds for purchase. Based upon the credit performance of mortgages within each securitization, the Company projects voluntary prepayments, defaults and loss severity to estimate any expected losses.

Exposure through investments in subprime securities directly held by the Company is as follows:

a. Actual cost	\$ 37,171,729
b. Book adjusted carrying value	36,418,382
c. Fair value	40,357,966
d. Other-than-temporary impairments	67,640

22. EVENTS SUBSEQUENT

The Company had no material subsequent events through February 11, 2011.

23. REINSURANCE

A. Unsecured Reinsurance Recoverables:

1. Affiliated Company Recoverables:

The Company participates in the TRV Pool and/or other reinsurance programs with affiliates and takes credit for reinsurance ceded directly and indirectly to these companies. The unsecured aggregate recoverables for ceded losses, loss adjustment expenses and unearned premiums at December 31, 2010, in connection with reinsurance agreements among affiliated insurers, were as follows:

NOTES TO FINANCIAL STATEMENTS

Reinsurance balances ceded to affiliates and recoverable by The Travelers Indemnity Company (06-0566050):

<u>Company</u>	<u>F.E.I.N.</u>	<u>Amount</u>
St. Paul Fire and Marine Insurance Company	41-0406690	\$ 11,232,876,589
Travelers Casualty and Surety Company	06-6033504	9,279,398,667
The Phoenix Insurance Company	06-0303275	2,257,936,201
The Standard Fire Insurance Company	06-6033509	2,188,399,477
United States Fidelity and Guaranty Company	52-0515280	1,992,117,530
Travelers Casualty Insurance Company of America	06-0876835	1,232,980,676
Farmington Casualty Company	06-1067463	668,343,092
The Travelers Indemnity Company of Connecticut	06-0336212	619,047,506
The Automobile Insurance Company of Hartford, Connecticut	06-0848755	618,668,943
The Charter Oak Fire Insurance Company	06-0291290	574,007,179
Northland Insurance Company	41-6009967	551,293,169
St. Paul Surplus Lines Insurance Company	41-1230819	397,393,187
The Travelers Indemnity Company of America	58-6020487	347,783,167
St. Paul Protective Insurance Company	36-2542404	262,089,067
Northfield Insurance Company	41-0983992	234,823,238
Travelers Casualty Company of Connecticut	06-1286266	212,244,068
Travelers Commercial Insurance Company	06-1286268	212,244,068
Travelers Commercial Casualty Company	95-3634110	212,201,885
St. Paul Mercury Insurance Company	41-0881659	184,565,506
Travelers Property Casualty Company of America	36-2719165	163,986,947
Travelers Property Casualty Insurance Company	06-1286274	135,474,942
Athena Assurance Company	41-1435765	130,959,098
St. Paul Medical Liability Insurance Company	41-1435766	130,959,098
Travelers Personal Security Insurance Company	06-1286264	121,927,435
Travelers Personal Insurance Company	36-3703200	121,927,435
Travelers Excess and Surplus Lines Company	06-1203698	121,927,435
TravCo Insurance Company	35-1838077	121,927,435
The Travelers Home and Marine Insurance Company	35-1838079	121,927,435
Discover Property & Casualty Insurance Company	36-2999370	63,268,632
Discover Specialty Insurance Company	52-1925132	63,221,620
Northland Casualty Company	94-6051964	63,221,620
St. Paul Guardian Insurance Company	41-0963301	45,158,302
American Equity Specialty Insurance Company	86-0868106	45,152,061
Fidelity and Guaranty Insurance Underwriters, Inc.	52-0616768	45,139,267
Total		<u>\$ 34,774,591,977</u>

Reinsurance balances assumed by The Travelers Indemnity Company and recoverable by the following affiliated insurers:

<u>Company</u>	<u>F.E.I.N.</u>	<u>Amount</u>
Travelers Property Casualty Company of America	36-2719165	\$ 9,184,203,454
St. Paul Fire and Marine Insurance Company	41-0406690	6,898,943,814
Travelers Casualty and Surety Company	06-6033504	3,947,047,732
United States Fidelity and Guaranty Company	52-0515280	2,745,903,369
The Travelers Indemnity Company of America	58-6020487	2,574,365,902
The Travelers Indemnity Company of Connecticut	06-0336212	2,207,830,735
St. Paul Mercury Insurance Company	41-0881659	2,186,534,352
The Charter Oak Fire Insurance Company	06-0291290	2,175,840,609
The Standard Fire Insurance Company	06-6033509	1,897,530,618
The Travelers Home and Marine Insurance Company	35-1838079	1,835,543,646
The Phoenix Insurance Company	06-0303275	1,699,382,577
Travelers Casualty Insurance Company of America	06-0876835	1,057,584,482
Discover Property & Casualty Insurance Company	36-2999370	884,347,183
The Automobile Insurance Company of Hartford, Connecticut	06-0848755	785,041,616
St. Paul Surplus Lines Insurance Company	41-1230819	678,284,854
Northland Insurance Company	41-6009967	635,704,215
Farmington Casualty Company	06-1067463	564,391,915
Travelers Commercial Insurance Company	06-1286268	322,765,498
Travelers Property Casualty Insurance Company	06-1286274	291,954,431
TravCo Insurance Company	35-1838077	277,712,424
St. Paul Guardian Insurance Company	41-0963301	257,916,426
Northfield Insurance Company	41-0983992	190,528,460
St. Paul Protective Insurance Company	36-2542404	182,279,149
Fidelity and Guaranty Insurance Underwriters, Inc.	52-0616768	171,992,465
Travelers Personal Security Insurance Company	06-1286264	139,734,628
Travelers Commercial Casualty Company	95-3634110	126,741,349
Travelers Excess and Surplus Lines Company	06-1203698	116,722,591
Travelers Personal Insurance Company	36-3703200	79,164,570
Travelers Casualty Company of Connecticut	06-1286266	68,449,535
St. Paul Medical Liability Insurance Company	41-1435766	59,886,649
Athena Assurance Company	41-1435765	30,783,751
Northland Casualty Company	94-6051964	21,338,519
Discover Specialty Insurance Company	52-1925132	21,191,648
American Equity Specialty Insurance Company	86-0868106	11,756,319
Total		<u>\$ 44,329,399,485</u>

2. Unaffiliated Company Recoverables:

The unsecured aggregate recoverables for ceded losses, loss adjustment expenses and unearned premiums recoverable from any unaffiliated reinsurer at December 31, 2010, that exceeded 3% of the Company's surplus as regards policyholders, were as follows:

NONE

Additional detail on reinsurance recoverable balances by reinsurer is shown in Schedule F - Part 3.

NOTES TO FINANCIAL STATEMENTS

B. Reinsurance Recoverable in Dispute:

Not applicable.

C. Reinsurance Assumed and Ceded:

1.	<u>Assumed Reinsurance</u>		<u>Ceded Reinsurance</u>		<u>Net</u>	
	<u>Premium Reserve</u>	<u>Commission Equity</u>	<u>Premium Reserve</u>	<u>Commission Equity</u>	<u>Premium Reserve</u>	<u>Commission Equity</u>
Affiliates	\$ 2,051,234,949	\$ 279,819,715	\$ 440,640,047	\$ 60,110,019	\$ 1,610,594,902	\$ 219,709,696
All Other	<u>17,211,048</u>	<u>2,347,849</u>	<u>18,737,804</u>	<u>2,556,122</u>	<u>(1,526,756)</u>	<u>(208,273)</u>
Total	<u>\$ 2,068,445,997</u>	<u>\$ 282,167,564</u>	<u>\$ 459,377,851</u>	<u>\$ 62,666,141</u>	<u>\$ 1,609,068,146</u>	<u>\$ 219,501,423</u>

Direct Unearned Premium Reserve \$ 519,175,285

2. Accruals for contingent, sliding scale adjustment and other profit sharing commissions, net of reinsurance assumed and ceded, amounted to \$17,175,515 at December 31, 2010. This balance represents the Company's 24.79% pro rata share of the net amount of the TRV Pool (see Note 26):

Direct Business	\$ 7,762,285
Add: Reinsurance Assumed	13,224,515
Less: Reinsurance Ceded	<u>3,811,285</u>
Net	<u>\$ 17,175,515</u>

D. Uncollectible Reinsurance:

Not applicable.

E. Commutation of Ceded Reinsurance:

Not applicable.

F. Retroactive Reinsurance:

	<u>Assumed</u>	<u>Ceded</u>
a. Reserves Transferred:		
(1) Initial Reserves	\$ 2,330,260	\$ 124,778,936
(2) Adjustments - Prior Year(s)	(743,700)	48,606,362
(3) Adjustments - Current Year	-	<u>(327,438)</u>
(4) Current Total	<u>\$ 1,586,560</u>	<u>\$ 173,057,860</u>
b. Consideration Paid or Received:		
(1) Initial Consideration	\$ 2,591,816	\$ 111,076,926
(2) Adjustments - Prior Year(s)	-	13,300,079
(3) Adjustments - Current Year	-	-
(4) Current Total	<u>\$ 2,591,816</u>	<u>\$ 124,377,005</u>
c. Paid Losses Reimbursed or Recovered:		
(1) Prior Year(s)	\$ 1,010,093	\$ 130,686,967
(2) Current Year	9,726	<u>8,557,402</u>
(3) Current Total	<u>\$ 1,019,819</u>	<u>\$ 139,244,369</u>
d. Special Surplus From Retroactive Reinsurance:		
(1) Initial Surplus Gain or Loss	\$ 261,556	\$ 13,702,010
(2) Adjustments - Prior Year(s)	743,700	35,306,283
(3) Adjustments - Current Year	-	<u>(327,438)</u>
(4) Current Year Restricted Surplus	<u>\$ 1,005,256</u>	<u>\$ 29,283,136</u>
(5) Cumulative Total Transferred to Unassigned Funds	<u>\$ -</u>	<u>\$ 19,397,719</u>

e. List the other insurers included in the above transactions:

<u>Company</u>	<u>Assumed</u>	<u>Ceded</u>
Munich Reinsurance America, Inc. (10227)	\$ 1,586,560	\$ -
Commercial Risk Re-Insurance Co. (27955)	-	3,272,280
General Reinsurance Corporation (22039)	-	74,370,000
nSpire Re Limited (AA-1784124)	-	19,766,044
Platinum Underwriters Reinsurance Inc. (10357)	-	28,200,604
Various	-	<u>47,448,932</u>
Total	<u>\$ 1,586,560</u>	<u>\$ 173,057,860</u>

f. Paid Loss/LAE Recoverable:

<u>Company</u>	<u>Paid Loss/LAE Recoverables</u>	<u>Amount Over 90 Days Past Due</u>	<u>Collateral Held</u>
Platinum Underwriters Reinsurance Inc. (10357)	\$ 586,857	\$ -	\$ -
nSpire Re Limited (AA-178412)	-	-	4,954,816
Various	<u>466,188</u>	<u>30,362</u>	<u>38,324</u>
Total	<u>\$ 1,053,045</u>	<u>\$ 30,362</u>	<u>\$ 4,993,140</u>

NOTES TO FINANCIAL STATEMENTS

G. Reinsurance Accounted for as a Deposit:

The Company entered into an assumed reinsurance contract agreement ultimately determined to be of a deposit type nature on January 1, 2001. This is a whole account stoploss covering all business allocated to the reinsured's marine hull and marine excess of loss account.

<u>Year</u>	<u>Deposits Received</u>	<u>Interest Income/ (Expense)</u>	<u>Cash Payments</u>	<u>Deposit Balance Asset/(Liability)</u>
1999	\$ (254,300)	\$ (1,290,000)	-	\$ (1,544,300)
2000	-	-	-	(1,544,300)
2001	-	-	-	(1,544,300)
2002	-	(128,000)	-	(1,672,300)
2003	-	-	-	(1,672,300)
2004	-	-	-	(1,672,300)
2005	-	-	\$ 326,376	(1,345,924)
2006	-	-	494,769	(851,155)
2007	-	-	65,102	(786,053)
2008	-	-	-	(786,053)
2009	-	-	-	(786,053)
2010	-	-	162,000	(624,053)

The Company entered into several ceded reinsurance arrangements which provided coverage for certain workers' compensation, employers liability and automobile liability policies issued by the Company. Given the contract terms and results of the Company's cash flow analyses, it was subsequently determined that the agreements did not fulfill the risk transfer requirements of SSAP No. 62 so they are now being accounted for as deposits.

<u>Year</u>	<u>Deposits Received</u>	<u>Interest Income/ (Expense)</u>	<u>Cash Payments</u>	<u>Deposit Balance Asset/(Liability)</u>
2005	\$ 873,720	\$26,680,680	\$ (494,109)	\$ 27,060,291
2006	148,015	1,845,526	(6,006,897)	23,046,935
2007	-	(1,424,040)	(6,327,360)	15,295,535
2008	40,650	(50,387)	(6,038,558)	9,247,240
2009	97,540	(91,588)	(1,086,533)	8,166,659
2010	21,678	(59,297)	(743,145)	7,385,895

H. Disclosures for the Transfer of Property and Casualty Run-off Agreements

Not applicable.

24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

A. Accrued retrospective premiums (Page 2, Line 15.3) have been determined based upon loss experience on business subject to such experience rating adjustment. Accrued retrospectively rated premiums, including all of those relating to bulk IBNR, have been determined by or allocated to individual policyholder accounts. Ten percent of the amount not offset by retrospective return premiums, other liabilities to the same party (other than loss and loss expense reserves), or collateral as permitted by SSAP No. 66, *Retrospectively Rated Contracts*, has been nonadmitted. The amount shown in Part D below is the Company's proportionate share of the accrued retrospective premiums of the TRV Pool (see Note 26).

B. The Company records accrued retrospective premium as an adjustment to earned premium.

C. See Schedule P - Part 7A.

D. Calculation of nonadmitted retrospective premium:

1. Total accrued retrospective premium	\$ 49,013,213
2. Unsecured amount	5,643,041
3. Less: Nonadmitted amount (10%)	<u>564,304</u>
4. Admitted amount (1) - (3)	<u>\$ 48,448,909</u>

25. CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

During the period from January 1, 2010 to December 31, 2010, the prior year-end total loss and loss adjustment expense reserves developed favorably by \$286,312,832, resulting primarily from better than expected loss development in the other liability – occurrence, special property, workers' compensation, and reinsurance (nonproportional assumed liability) lines, partially offset by deterioration in the products liability – occurrence line. The improvement in the other liability – occurrence line was concentrated in excess coverages for accident years 2007 and prior, and was attributable to favorable legal and judicial environments. Also contributing to the improvement was a reclassification of IBNR to products liability – occurrence. This improvement was partially offset by unfavorable development in environmental reserves. The improvement in the special property line reflected better than expected development for property and inland marine exposures for recent accident years, primarily 2008 and 2009. The improvement in the workers' compensation line was concentrated in accident years 2001-2009, and resulted from better than expected loss emergence. The improvement in reinsurance (nonproportional assumed liability) resulted primarily from favorable resolutions of claims and disputes from accident years 2002 and prior, partially offset by an increase in projected assumed asbestos liability payments.

The deterioration in products liability – occurrence was primarily caused by a reclassification of IBNR from other liability – occurrence. Also contributing to the deterioration was a strengthening of the asbestos reserves, driven by an increase in estimated costs associated with litigating asbestos-related coverage matters and an increase in projected settlement and defense costs for a broad number of policyholders.

The remaining changes are generally the result of ongoing analyses of recent loss data and trends. A portion of the change from prior year effects relates to retrospectively rated policies, and these policies are subject to premium adjustments.

26. INTERCOMPANY POOLING ARRANGEMENTS

The Company is a participant in the TRV Pool, an intercompany pooling arrangement. The lead company of the TRV Pool is Indemnity. Under the terms of the arrangement, the property-casualty underwriting risks for substantially all lines of business of the intercompany pool participants are reinsured with Indemnity. The pool of net underwriting risks remaining after reinsurance is transacted with third parties by Indemnity is then retroceded to the pool participants based on pool participation percentages. The provision for reinsurance and the write-off of uncollectible reinsurance are reported in the statutory financial statements of Indemnity and are not allocated to the other pool participants.

NOTES TO FINANCIAL STATEMENTS

The names, NAIC company codes and intercompany pool percentages of the companies participating in the TRV Pool are as follows:

<u>TRV Pool Participant</u>	<u>NAIC Company Code</u>	<u>Pool Participation %</u>
St. Paul Fire and Marine Insurance Company	24767	24.79
The Travelers Indemnity Company	25658	23.29
Travelers Casualty and Surety Company	19038	20.36
The Phoenix Insurance Company	25623	5.00
The Standard Fire Insurance Company	19070	4.84
United States Fidelity and Guaranty Company	25887	4.41
Travelers Casualty Insurance Company of America	19046	2.73
Farmington Casualty Company	41483	1.48
The Automobile Insurance Company of Hartford, Connecticut	19062	1.37
The Travelers Indemnity Company of Connecticut	25682	1.37
The Charter Oak Fire Insurance Company	25615	1.27
Northland Insurance Company	24015	1.22
St. Paul Surplus Lines Insurance Company	30481	0.88
The Travelers Indemnity Company of America	25666	0.77
St. Paul Protective Insurance Company	19224	0.58
Northfield Insurance Company	27987	0.52
Travelers Casualty Company of Connecticut	36170	0.47
Travelers Commercial Casualty Company	40282	0.47
Travelers Commercial Insurance Company	36137	0.47
St. Paul Mercury Insurance Company	24791	0.40
Travelers Property Casualty Company of America	25674	0.36
Travelers Property Casualty Insurance Company	36161	0.30
Athena Assurance Company	41769	0.29
St. Paul Medical Liability Insurance Company	41750	0.29
TravCo Insurance Company	28188	0.27
Travelers Excess and Surplus Lines Company	29696	0.27
The Travelers Home and Marine Insurance Company	27998	0.27
Travelers Personal Security Insurance Company	36145	0.27
Travelers Personal Insurance Company	38130	0.27
Discover Property & Casualty Insurance Company	36463	0.14
Discover Specialty Insurance Company	10213	0.14
Northland Casualty Company	24031	0.14
American Equity Specialty Insurance Company	10819	0.10
Fidelity and Guaranty Insurance Underwriters, Inc.	25879	0.10
St. Paul Guardian Insurance Company	24775	0.10

All of the above TRV Pool companies are party to reinsurance agreements with non-affiliated reinsurers covering business subject to the pooling agreement and have contractual rights of direct recovery from the non-affiliated reinsurers under the terms of such reinsurance agreements.

As of December 31, 2010 the Company had \$47,724,387 receivable from affiliates as a result of its intercompany reinsurance transactions which settled in January 2011.

27. STRUCTURED SETTLEMENTS

The Company has purchased annuities from life insurance companies, under which the claimant is the payee and the Company is the owner of the annuity contract, to fund structured settlements. These annuity contracts are now the direct responsibility of the life insurance companies from whom they have been purchased and claims settled by the purchase of such annuity contracts are treated as closed claims.

The following life insurance companies held reserves at December 31, 2010, for structured settlement annuities purchased by members of the TRV Pool (see Note 26), of which \$817,663,549 is attributable to the Company:

<u>Life Insurance Company and Location</u>	<u>Licensed in Company's State of Domicile</u>	<u>Statement Value of Annuities</u>
OM Financial Life Insurance Company, Baltimore, MD	Yes	\$991,958,824
MetLife Insurance Company of Connecticut, Bloomfield, CT	Yes	427,776,230
Genworth Life and Annuity Insurance Company, Richmond, VA	Yes	255,770,747
Symetra Life Insurance Company, Bellevue, WA	Yes	245,196,641
Genworth Life Insurance Company, Richmond, VA	Yes	201,168,857
All other companies		1,176,489,125

The Company has an indemnification agreement with OM Financial Life Insurance Company's parent, Old Mutual Plc, to indemnify the Company for any contingent liability associated with annuities issued between February 3, 1999 and September 30, 2001 in the event OM Financial Life Insurance Company and its affiliate do not pay the claimant in accordance with the annuity contract. The value of the annuities included in this indemnification agreement is \$354,577,904, and is included in the value of annuities for OM Financial Life Insurance Company and its affiliate for which the Company is contingently liable.

28. HEALTH CARE RECEIVABLES

Not applicable.

29. PARTICIPATING POLICIES

Not applicable.

30. PREMIUM DEFICIENCY RESERVES

As of December 31, 2010, the Company had liabilities of \$0 related to premium deficiency reserves. See Note 1 Part C, regarding the consideration of investment income in the calculation of this premium deficiency reserve.

31. HIGH DEDUCTIBLES

At December 31, 2010, the amount of reserve credit recorded by the Company for high deductible policies on unpaid claims was \$1,769,712,232 and the amount billed and outstanding on paid claims was \$18,189,169. These amounts represent the Company's proportionate share of the TRV Pool (see Note 26).

NOTES TO FINANCIAL STATEMENTS**32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES**

- A. Except for certain third party administered claims, tabular workers' compensation case reserves have been discounted in accordance with the various state laws under which the benefits are paid. The tabular case reserves, as included in Schedule P, reflect a discount rate of 3.5% or as specified by state requirements, generally using the following United States Life Tables:

Non-Fatal Cases: United States Life Tables Total Population 1969-71 – MI
 United States Life Tables Total Population 1979-81 – TX
 United States Life Tables Total Population 1999 – FL, NJ & NY
 United States Life Tables Total Male or Total Female 1989-91 – CA
 United States Life Tables Total Male or Total Female 2003 – MA
 United States Life Tables Total Male or Total Female 2000 – MN
 United States Life Tables Total Male or Total Female 1999 – all other states

Fatal Cases: United States Life Tables Total Female 1969-71 – MI *
 United States Life Tables Total Female 1979-81 – TX *
 United States Life Tables Total Female 1989-91 – CA *
 United States Life Tables Total Female 2003 – MA *
 * and the 1979 NCCI Remarriage Table
 New York Mandated Mortality & Remarriage Table – NY
 United States Life Tables Total Female 2000 – MN **
 United States Life Tables Total Female 1999 – all other states **
 ** and the Railroad Retirement Board Remarriage Table

Other Liability reserves relating to excess coverage on workers' compensation life table claims have been discounted on the same basis as workers' compensation reserves. Other liability reserves related to annuity obligations from structured settlements are discounted using a discount rate of 5% reflecting the 1999 US Life Tables for Males and for Females.

The Company develops loss reserve estimates for workers' compensation tabular claims that are expectations of what the ultimate settlement costs for these claims will be upon final resolution in the future. These estimates are based on the Company's assessment of facts and circumstances currently known and, using Company experience, multiple actuarial estimation methods. This includes estimates of payment patterns reflecting actual mortality, morbidity and settlement history that relate both to claims currently identified as tabular as well as claims not yet identified as tabular ("IBNR" tabular). The total reserves and the corresponding discount that the Company has established for these claims reflects these multiple estimation methods, payment patterns and a discount rate of 5%. The liabilities and discount amounts shown below reflect estimates of the ultimate liability for tabular claims. Furthermore, the case vs. IBNR discount amounts shown below each reflects estimates of the ultimate resolution costs for these claims: case amounts for claims already identified as tabular; IBNR amounts for claims yet to be identified as tabular.

The December 31, 2010 liabilities of the Company and its affiliates listed below included the following amounts of such discounted liabilities:

Company	Workers' Compensation	Other Liability	Other Liability- Structured Payments
St. Paul Fire and Marine Insurance Company	\$ 418,837,182	\$ 12,307,736	\$ 12,576,011
The Travelers Indemnity Company	393,494,071	11,563,019	11,815,061
Travelers Casualty and Surety Company	343,990,523	10,108,333	10,328,666
The Phoenix Insurance Company	84,477,044	2,482,400	2,536,509
The Standard Fire Insurance Company	81,773,779	2,402,963	2,455,341
United States Fidelity and Guaranty Company	74,508,753	2,189,477	2,237,201
Travelers Casualty Insurance Company of America	46,124,466	1,355,390	1,384,934
Farmington Casualty Company	25,005,205	734,790	750,807
The Automobile Insurance Company of Hartford, Connecticut	23,146,710	680,178	695,004
The Travelers Indemnity Company of Connecticut	23,146,710	680,178	695,004
The Charter Oak Fire Insurance Company	21,457,169	630,530	644,273
Northland Insurance Company	20,612,399	605,706	618,908
St. Paul Surplus Lines Insurance Company	14,867,960	436,902	446,426
The Travelers Indemnity Company of America	13,009,465	382,290	390,622
St. Paul Protective Insurance Company	9,799,337	287,958	294,235
Northfield Insurance Company	8,785,613	258,170	263,797
Travelers Casualty Company of Connecticut	7,940,842	233,346	238,432
Travelers Commercial Casualty Company	7,940,842	233,346	238,432
Travelers Commercial Insurance Company	7,940,842	233,346	238,432
St. Paul Mercury Insurance Company	6,758,164	198,592	202,921
Travelers Property Casualty Company of America	6,082,347	178,733	182,629
Travelers Property Casualty Insurance Company	5,068,623	148,944	152,191
St. Paul Medical Liability Insurance Company	4,899,669	143,979	147,118
Athena Assurance Company	4,899,669	143,979	147,118
TravCo Insurance Company	4,561,760	134,050	136,972
Travelers Excess and Surplus Lines Company	4,561,760	134,050	136,972
The Travelers Home and Marine Insurance Company	4,561,760	134,050	136,972
Travelers Personal Insurance Company	4,561,760	134,050	136,972
Travelers Personal Security Insurance Company	4,561,760	134,050	136,972
Discover Property & Casualty Insurance Company	2,365,357	69,507	71,022
Discover Specialty Insurance Company	2,365,357	69,507	71,022
Northland Casualty Company	2,365,357	69,507	71,022
American Equity Specialty Insurance Company	1,689,541	49,648	50,730
St. Paul Guardian Insurance Company	1,689,541	49,648	50,730
Fidelity and Guaranty Insurance Underwriters, Inc.	1,689,541	49,648	50,730
Total	<u>\$ 1,689,540,878</u>	<u>\$ 49,648,000</u>	<u>\$ 50,730,188</u>

NOTES TO FINANCIAL STATEMENTS

The amount of tabular discount for workers' compensation and other liability reserves at December 31, 2010 was as follows:

Tabular Discount Included in Schedule P - Part 1

Company	Workers' Compensation		Other Liability		Other Liability- Structured Payments
	Case	IBNR	Case	IBNR	IBNR
St. Paul Fire and Marine Insurance Company	\$ 98,667,178	\$ 115,108,333	\$ 4,606,481	\$ 3,464,151	\$ 19,576,619
The Travelers Indemnity Company	92,696,995	108,143,327	4,327,748	3,254,545	18,392,069
Travelers Casualty and Surety Company	81,035,243	94,538,349	3,783,295	2,845,106	16,078,254
The Phoenix Insurance Company	19,900,600	23,216,687	929,100	698,700	3,948,491
The Standard Fire Insurance Company	19,263,781	22,473,753	899,369	676,342	3,822,139
United States Fidelity and Guaranty Company	17,552,329	20,477,118	819,466	616,253	3,482,569
Travelers Casualty Insurance Company of America	10,865,728	12,676,311	507,289	381,490	2,155,876
Farmington Casualty Company	5,890,578	6,872,139	275,014	206,815	1,168,753
The Automobile Insurance Company of Hartford, CT	5,452,764	6,361,372	254,573	191,444	1,081,886
The Travelers Indemnity Company of Connecticut	5,452,764	6,361,372	254,573	191,444	1,081,886
The Charter Oak Fire Insurance Company	5,054,752	5,897,038	235,991	177,470	1,002,917
Northland Insurance Company	4,855,746	5,664,872	226,700	170,483	963,432
St. Paul Surplus Lines Insurance Company	3,502,506	4,086,137	163,522	122,971	694,934
The Travelers Indemnity Company of America	3,064,692	3,575,370	143,081	107,600	608,068
St. Paul Protective Insurance Company	2,308,470	2,693,136	107,776	81,049	458,025
Northfield Insurance Company	2,069,662	2,414,535	96,626	72,665	410,643
Travelers Casualty Company of Connecticut	1,870,656	2,182,369	87,335	65,678	371,158
Travelers Commercial Casualty Company	1,870,656	2,182,369	87,335	65,678	371,158
Travelers Commercial Insurance Company	1,870,656	2,182,369	87,335	65,678	371,158
St. Paul Mercury Insurance Company	1,592,048	1,857,335	74,328	55,896	315,879
Travelers Property Casualty Company of America	1,432,843	1,671,601	66,895	50,306	284,291
Travelers Property Casualty Insurance Company	1,194,036	1,393,001	55,746	41,922	236,909
St. Paul Medical Liability Insurance Company	1,154,235	1,346,568	53,888	40,525	229,012
Athena Assurance Company	1,154,235	1,346,568	53,888	40,525	229,012
TravCo Insurance Company	1,074,632	1,253,701	50,171	37,730	213,218
Travelers Excess and Surplus Lines Company	1,074,632	1,253,701	50,171	37,730	213,218
The Travelers Home and Marine Insurance Company	1,074,632	1,253,701	50,171	37,730	213,218
Travelers Personal Insurance Company	1,074,632	1,253,701	50,171	37,730	213,218
Travelers Personal Security Insurance Company	1,074,632	1,253,701	50,171	37,730	213,218
Discover Property & Casualty Insurance Company	557,217	650,067	26,015	19,564	110,558
Discover Specialty Insurance Company	557,217	650,067	26,015	19,564	110,558
Northland Casualty Company	557,217	650,067	26,015	19,564	110,558
American Equity Specialty Insurance Company	398,012	464,334	18,582	13,974	78,970
St. Paul Guardian Insurance Company	398,012	464,334	18,582	13,974	78,970
Fidelity and Guaranty Insurance Underwriters, Inc.	398,012	464,334	18,582	13,974	78,970
Total	<u>\$398,012,000</u>	<u>\$464,333,737</u>	<u>\$18,582,000</u>	<u>\$13,974,000</u>	<u>\$ 78,969,812</u>

B. Non-tabular reserves have not been discounted.

C. No changes in the rates or other key assumptions used to discount prior accident year reserves have been made.

33. ASBESTOS/ENVIRONMENTAL RESERVES

The following represents the Company's allocable share of the pooled property-casualty business of the TRV Pool, based on its pro rata participation percentage of 24.79%.

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 ()

Exposure for asbestos losses arises from liability coverage written many years ago. The exposures include bodily injury and property damage losses.

Because each policyholder presents different liability and coverage issues, the Company generally reviews the exposure presented by each policyholder at least annually. Among the factors which the Company may consider in the course of this review are: available insurance coverage, including the role of any umbrella or excess insurance the Company has issued to the policyholder; limits and deductibles; an analysis of the policyholder's potential liability; the jurisdictions involved; past and anticipated future claim activity and loss development on pending claims; past settlement values of similar claims; allocated claim adjustment expense; potential role of other insurance; the role, if any, of non-asbestos claims or potential non-asbestos claims in any resolution process; and applicable coverage defenses or determinations, if any, including the determination as to whether or not an asbestos claim is a products/completed operation claim subject to an aggregate limit and the available coverage, if any, for that claim.

The Company's quarterly asbestos reserve review includes an analysis of exposure and claim payment patterns, as well as recent settlements, policyholder bankruptcies, judicial rulings and legislative actions. The Company also analyzes developing payment patterns among various policyholders as well as projected reinsurance billings and recoveries. In addition, the Company reviews its historical gross and net loss and expense paid experience, year-by-year, to assess any emerging trends, fluctuations, or characteristics suggested by the aggregate paid activity. Conventional actuarial methods are not utilized to establish asbestos reserves nor have the Company's evaluations resulted in any way of determining a meaningful average asbestos defense or indemnity payment.

In December 2008, the Company sold Unionamerica. In conjunction with the sale the Company commuted its assumed intercompany reinsurance agreements with Unionamerica subsidiaries. As a result of these commutations and their impact on the TRV Pool, the Company's 2008 asbestos assumed calendar year paid losses increased by \$49,084,200 and the Company's 2008 asbestos assumed incurred losses decreased by \$8,428,600.

1. Direct Basis - Asbestos:	2006	2007	2008	2009	2010
a. Beginning reserves:	\$ 1,097,025,000	\$ 1,028,613,000	\$ 934,547,000	\$ 769,163,000	\$ 721,823,000
b. Incurred losses and LAE:	48,322,000	(4,150,000)	15,548,000	39,664,000	51,315,000
c. Calendar year payments for losses and LAE:	<u>116,734,000</u>	<u>89,916,000</u>	<u>180,932,000</u>	<u>87,004,000</u>	<u>94,547,000</u>
d. Ending reserves:	<u>\$ 1,028,613,000</u>	<u>\$ 934,547,000</u>	<u>\$ 769,163,000</u>	<u>\$ 721,823,000</u>	<u>\$ 678,591,000</u>

NOTES TO FINANCIAL STATEMENTS

2. <u>Assumed Reinsurance Basis - Asbestos:</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
a. Beginning reserves:	\$ 133,202,000	\$ 125,573,000	\$ 118,202,000	\$ 48,163,000	\$ 45,231,000
b. Incurred losses and LAE:	2,600,000	4,156,000	(6,500,000)	6,198,000	13,633,000
c. Calendar year payments for losses and LAE:	<u>10,229,000</u>	<u>11,527,000</u>	<u>63,539,000</u>	<u>9,130,000</u>	<u>8,859,000</u>
d. Ending reserves:	<u>\$ 125,573,000</u>	<u>\$ 118,202,000</u>	<u>\$ 48,163,000</u>	<u>\$ 45,231,000</u>	<u>\$ 50,005,000</u>

3. <u>Net of Ceded Reinsurance Basis - Asbestos:</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
a. Beginning reserves:	\$1,079,200,000	\$ 1,003,648,000	\$ 925,010,000	\$ 721,813,000	\$ 683,078,000
b. Incurred losses and LAE:	40,625,000	7,000	9,046,000	45,862,000	34,706,000
c. Calendar year payments for losses and LAE:	<u>116,177,000</u>	<u>78,645,000</u>	<u>212,243,000</u>	<u>84,597,000</u>	<u>86,688,000</u>
d. Ending reserves:	<u>\$1,003,648,000</u>	<u>\$ 925,010,000</u>	<u>\$ 721,813,000</u>	<u>\$ 683,078,000</u>	<u>\$ 631,096,000</u>

B. Ending loss and LAE reserves for unreported claims included in Part A above:

1. Direct Basis:	\$ 583,776,000
2. Assumed Reinsurance Basis:	\$ 20,033,000
3. Net of Ceded Reinsurance Basis:	\$ 531,432,000

C. Ending LAE reserves for reported and unreported claims included in Part A above:

1. Direct Basis:	\$ 193,572,000
2. Assumed Reinsurance Basis:	\$ 265,000
3. Net of Ceded Reinsurance Basis:	\$ 182,043,000

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 ()

Exposure for environmental losses arises from liability coverage written many years ago. The exposures include bodily injury and property damage losses.

The resolution of environmental exposures by the Company generally occurs by settlement on a policyholder-by-policyholder basis as opposed to a claim-by-claim basis. Generally, the Company strives to extinguish any obligations it may have under any policy issued to the policyholder for past, present and future environmental liabilities and extinguish any pending coverage litigation dispute with the policyholder. This form of settlement is commonly referred to as a "buy-back" of policies for future environmental liability. In addition, many of the agreements have also extinguished any insurance obligation which the Company may have for other claims, including but not limited to asbestos and other cumulative injury claims. The Company and its policyholders may also agree to settlements which extinguish any liability arising from known specified sites or claims. These agreements also include appropriate indemnities and hold harmless provisions to protect the Company. The Company's general purpose in executing these agreements is to reduce the Company's potential environmental exposure and eliminate the risks presented by coverage litigation with the policyholder and related costs.

In establishing environmental reserves, the Company evaluates the exposure presented by each policyholder and the anticipated cost of resolution, if any. In the course of this analysis, the Company generally considers the probable liability, available coverage, relevant judicial interpretations and historical value of similar exposures. In addition, the Company considers the many variables presented, such as the nature of the alleged activities of the policyholder at each site; the allegations of environmental harm at each site; the number of sites; the total number of potentially responsible parties at each site; the nature of environmental harm and the corresponding remedy at each site; the nature of government enforcement activities at each site; the ownership and general use of each site; the overall nature of the insurance relationship between the Company and the policyholder, including the role of any umbrella or excess insurance the Company has issued to the policyholder; the involvement of other insurers; the potential for other available coverage, including the number of years of coverage; the role, if any, of non-environmental claims or potential non-environmental claims in any resolution process; and the applicable law in each jurisdiction. Conventional actuarial techniques are not used to estimate these reserves.

In its review of environmental reserves, the Company considers: past settlement payments; changing judicial and legislative trends; its reserves for the costs of litigating environmental coverage matters; the potential for policyholders with smaller exposures to be named in new clean-up actions for both on- and off-site waste disposal activities; the potential for adverse development; the potential for additional new claims beyond previous expectations; and the potential higher costs for new settlements.

The majority of the net environmental reserve is carried in a bulk reserve which includes unresolved environmental claims, incurred but not reported environmental claims and the anticipated cost of coverage litigation disputes relating to these claims. The bulk reserve the Company carries is established and adjusted based upon the aggregate volume of in-process environmental claims and the Company's experience in resolving those claims. The balance of the net environmental reserve consists of case reserves.

As a result of the commutations described above and their impact on the TRV Pool, the Company's 2008 environmental assumed calendar year paid losses increased by \$6,941,200 and the Company's 2008 environmental assumed incurred losses decreased by \$1,239,500.

1. <u>Direct Basis - Environmental:</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
a. Beginning reserves:	\$ 83,848,000	\$ 66,620,000	\$ 89,299,000	\$ 83,225,000	\$ 82,496,000
b. Incurred losses and LAE:	27,070,000	45,784,000	21,029,000	20,824,000	9,866,000
c. Calendar year payments for losses and LAE:	<u>44,298,000</u>	<u>23,105,000</u>	<u>27,103,000</u>	<u>21,553,000</u>	<u>17,656,000</u>
d. Ending reserves:	<u>\$ 66,620,000</u>	<u>\$ 89,299,000</u>	<u>\$ 83,225,000</u>	<u>\$ 82,496,000</u>	<u>\$ 74,706,000</u>

2. <u>Assumed Reinsurance Basis- Environmental:</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
a. Beginning reserves:	\$ 34,673,000	\$ 32,701,000	\$ 27,130,000	\$ 15,825,000	\$ 13,969,000
b. Incurred losses and LAE:	386,000	61,000	(1,119,000)	247,000	1,290,000
c. Calendar year payments for losses and LAE:	<u>2,358,000</u>	<u>5,632,000</u>	<u>10,186,000</u>	<u>2,103,000</u>	<u>2,204,000</u>
d. Ending reserves:	<u>\$ 32,701,000</u>	<u>\$ 27,130,000</u>	<u>\$ 15,825,000</u>	<u>\$ 13,969,000</u>	<u>\$ 13,055,000</u>

3. <u>Net of Ceded Reinsurance Basis- Environmental:</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
a. Beginning reserves:	\$ 105,220,000	\$ 103,722,000	\$ 121,448,000	\$ 102,568,000	\$ 97,455,000
b. Incurred losses and LAE:	29,983,000	45,844,000	19,910,000	17,354,000	8,677,000
c. Calendar year payments for losses and LAE:	<u>31,481,000</u>	<u>28,118,000</u>	<u>38,790,000</u>	<u>22,467,000</u>	<u>19,237,000</u>
d. Ending reserves:	<u>\$ 103,722,000</u>	<u>\$ 121,448,000</u>	<u>\$ 102,568,000</u>	<u>\$ 97,455,000</u>	<u>\$ 86,895,000</u>

NOTES TO FINANCIAL STATEMENTS

E. Ending loss and LAE reserves for unreported claims included in Part D above:

1. Direct Basis:	\$ 73,431,000
2. Assumed Reinsurance Basis:	\$ 7,632,000
3. Net of Ceded Reinsurance Basis	\$ 80,863,000

F. Ending LAE reserves for reported and unreported claims included in Part D above:

1. Direct Basis:	\$ 18,261,000
2. Assumed Reinsurance Basis:	\$ 154,000
3. Net of Ceded Reinsurance Basis	\$ 17,838,000

As a result of the processes and procedures described above, management believes that the reserves carried for asbestos and environmental claims at December 31, 2010 are appropriately established based upon known facts, current law and management's judgment. However, the uncertainties surrounding the final resolution of these claims continue, and it is difficult to determine the ultimate exposure for asbestos and environmental claims and related litigation. As a result, these reserves are subject to revision as new information becomes available and as claims develop. The continuing uncertainties include, without limitation, the risks and lack of predictability inherent in complex litigation, any impact from the bankruptcy protection sought by various asbestos producers and other asbestos defendants, a further increase in the cost to resolve and/or the number of asbestos and environmental claims beyond that which is anticipated, the role of any umbrella or excess policies the Company has issued, the resolution or adjudication of disputes pertaining to the amount of available coverage for asbestos and environmental claims in a manner inconsistent with the Company's previous assessment of these claims, the number and outcome of direct actions against the Company, future developments pertaining to the Company's ability to recover reinsurance for asbestos and environmental claims and the unavailability of other insurance sources potentially available to policyholders, whether through exhaustion of policy limits or through the insolvency of other participating insurers. In addition, uncertainties arise from the insolvency or bankruptcy of policyholders and other defendants. It is also not possible to predict changes in the legal, regulatory and legislative environment and their impact on the future development of asbestos and environmental claims. This development will be affected by future court and regulatory decisions and interpretations, including the outcome of legal challenges to legislative and/or judicial reforms establishing medical criteria for the pursuit of asbestos claims, as well as changes in applicable legislation. It is also difficult to predict the ultimate outcome of complex coverage disputes until settlement negotiations near completion and significant legal questions are resolved or, failing settlement, until the dispute is adjudicated. This is particularly the case with policyholders in bankruptcy where negotiations often involve a large number of claimants and other parties and require court approval to be effective. As part of its continuing analysis of asbestos and environmental reserves, the Company continues to study the implications of these and other developments.

Because of the uncertainties set forth above, additional liabilities may arise for amounts in excess of the current related reserves. In addition, the Company's estimate of claims and claim adjustment expenses may change. These additional liabilities or increases in estimates, or a range of either, cannot now be reasonably estimated and could result in income statement charges that could be material to the Company's operating results in future periods.

34. SUBSCRIBER SAVINGS ACCOUNTS

Not applicable.

35. MULTIPLE PERIL CROP INSURANCE

Not applicable.

36. FINANCIAL GUARANTY INSURANCE

Not applicable.

NOTES TO FINANCIAL STATEMENTS

Attachment to the 2010 Annual Statement – Notes to Financial Statements, Note 9 – Part F:
Names of the companies included with TRV in the December 31, 2010, consolidated Federal income tax return filing

The Travelers Companies, Inc. (TRV) & Subsidiaries

<u>Company Name</u>	<u>FEIN</u>	<u>Company Name</u>	<u>FEIN</u>
350 MARKET STREET	41-1618103	ST. PAUL SURPLUS LINES INSURANCE COMPANY	41-1230819
AE DEVELOPMENT GROUP, INC.	06-0952727	TCI GLOBAL SERVICES, INC.	52-1965525
AE PROPERTIES, INC.	95-2798160	THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CT	06-0848755
AMERICAN EQUITY INSURANCE COMPANY	86-0703220	THE CHARTER OAK FIRE INSURANCE COMPANY	06-0291290
AMERICAN EQUITY SPECIALTY INSURANCE COMPANY	86-0868106	THE PHOENIX INSURANCE COMPANY	06-0303275
ATHENA ASSURANCE COMPANY	41-1435765	THE PREMIER INSURANCE COMPANY OF MASSACHUSETTS	04-3175569
BMR SPORTS PROPERTIES, INC.	52-1852190	THE STANDARD FIRE INSURANCE COMPANY	06-6033509
CAMPERDOWN CORPORATION	41-1762781	THE TRAVELERS HOME AND MARINE INSURANCE COMPANY	35-1838079
CASTLE PINES FIDELITY REALTY, INC.	52-1735211	THE TRAVELERS INDEMNITY COMPANY	06-0566050
COMMERCIAL GUARANTY INSURANCE COMPANY	75-1679830	THE TRAVELERS INDEMNITY COMPANY OF AMERICA	58-6020487
CONSTITUTION PLAZA INC	06-0566030	THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT	06-0336212
COUNTERSIGNATURE AGENCY, INC.	06-1345091	THE TRAVELERS LLOYDS INSURANCE COMPANY	76-0002592
DISCOVER PROPERTY & CASUALTY INSURANCE COMPANY	36-2999370	THE TRAVELERS MARINE CORPORATION	94-0338230
DISCOVER SPECIALTY INSURANCE COMPANY	52-1925131	TINDY FOREIGN, INC.	20-4403403
ENGLISH TURN FIDELITY REALTY, INC.	52-1466734	TPC INVESTMENTS, INC.	06-1534005
ENGLISH TURN REALTY MANAGEMENT, INC.	52-1715225	TRAVCO INSURANCE COMPANY	35-1838077
FARMINGTON CASUALTY COMPANY	06-1067463	TRAVELERS LLOYDS OF TEXAS INSURANCE COMPANY	75-1732040
FIDELITY AND GUARANTY INSURANCE COMPANY	42-1091525	TRAVELERS (BERMUDA) LTD.	98-0190863
FIDELITY AND GUARANTY INSURANCE UNDERWRITERS, INC.	52-0616768	TRAVELERS ALPHA HOLDINGS, INC.	06-1531058
FIRST FLORIDIAN AUTO AND HOME INSURANCE COMPANY	59-3372141	TRAVELERS AUTO INSURANCE CO. OF NEW JERSEY	22-3499393
FIRST TRENTON INDEMNITY COMPANY	22-3129711	TRAVELERS CASUALTY AND SURETY COMPANY	06-6033504
GULF UNDERWRITERS INSURANCE COMPANY	56-1371361	TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA	06-0907370
JUPITER HOLDINGS, INC.	41-1769846	TRAVELERS CASUALTY COMPANY OF CONNECTICUT	06-1286266
LAUREL VILLAGE FIDELITY REALTY, INC.	52-1551225	TRAVELERS CASUALTY INSURANCE COMPANY OF AMERICA	06-0876835
MOUNTAIN RIDGE INSURANCE COMPANY	52-1957776	TRAVELERS COMMERCIAL CASUALTY COMPANY	95-3634110
NORTHBROOK HOLDINGS, INC.	51-0375653	TRAVELERS COMMERCIAL INSURANCE COMPANY	06-1286268
NORTHFIELD INSURANCE COMPANY	41-0983992	TRAVELERS DISTRIBUTION ALLIANCE, INC.	62-1657094
NORTHLAND CASUALTY COMPANY	94-6051964	TRAVELERS EXCESS AND SURPLUS LINES COMPANY	06-1203698
NORTHLAND INSURANCE COMPANY	41-6009967	TRAVELERS INSURANCE GROUP HOLDINGS INC.	06-1445591
NORTHLAND RISK MANAGEMENT SERVICES, INC.	41-1720288	TRAVELERS LLOYDS MANAGEMENT COMPANY	20-4312440
SELECT INSURANCE COMPANY	75-6013697	TRAVELERS MGA, INC.	75-2676034
SPC INSURANCE AGENCY, INC.	41-1888760	TRAVELERS PERSONAL INSURANCE COMPANY	36-3703200
ST. PAUL (BERMUDA) LTD.	98-0162036	TRAVELERS PERSONAL SECURITY INSURANCE COMPANY	06-1286264
ST. PAUL BERMUDA HOLDINGS, INC.	41-1835264	TRAVELERS PROPERTY CASUALTY INSURANCE COMPANY	06-1286274
ST. PAUL FIRE & CASUALTY INSURANCE COMPANY	41-1419276	TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA	36-2719165
ST. PAUL FIRE & MARINE INSURANCE COMPANY	41-0406690	TRAVELERS PROPERTY CASUALTY CORP.	06-1008174
ST. PAUL GUARDIAN INSURANCE COMPANY	41-0963301	TRAVELERS TEXAS MGA, INC.	27-4469564
ST. PAUL LONDON PROPERTIES, INC.	41-1880024	UNITED STATES FIDELITY & GUARANTY COMPANY	52-0515280
ST. PAUL MEDICAL LIABILITY INSURANCE COMPANY	41-1435766	USF&G FINANCIAL SERVICES CORPORATION	52-1386957
ST. PAUL MERCURY INSURANCE COMPANY	41-0881659	USF&G RETAIL ASSOCIATES GP, INC.	52-1704255
ST. PAUL PROTECTIVE INSURANCE COMPANY	36-2542404	YONKERS FINANCING CORPORATION	20-3033027
ST. PAUL RE (BERMUDA) LTD.	98-0114704		

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State regulating? Connecticut

- 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 [X] No []
- 2.2 If yes, date of change: 12/15/2010

- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2009
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2007
- 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). 02/24/2009

- 3.4 By what department or departments? Minnesota
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [] No [] N/A [X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]

- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]

- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]

- 7.2 If yes,0.000 %

- 7.21 State the percentage of foreign control
- 7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

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

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]

- 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), 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 OTS	6 FDIC	7 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG LLP, One Financial Plaza, 755 Main St., Hartford, CT 06103

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

- 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 to the audit committee requirements as allowed in Section 14H of the Annual Financial Reporting 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 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]
- 10.6 If the response to 10.5 is yes, provide information related to this exemption:

- 10.7 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No []
- 10.8 If the answer to 10.7 is no or n/a, please explain.

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Smitesh Davé, F.C.A.S. & M.A.A.A. (Vice President and Chief Corporate Actuary), The Travelers Companies, Inc., One Tower Square, Hartford, CT 06183
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [X] No []
- 12.11 Name of real estate holding company
See 11.2 below.
- 12.12 Number of parcels involved4
- 12.13 Total book/adjusted carrying value \$.....40,480,331
- 12.2 If yes, provide explanation.
Chandler AZ, LLC: 1 parcel; total book/adjusted carrying value \$14,413,944; Holds a single member LLC that owns an office building in Chandler, AZ.
350 Market Street: 1 parcel; total book/adjusted carrying value \$23,014,265; Holds a 254 room hotel in St. Paul, MN.
English Turn Fidelity Realty Inc. and English Turn Realty Management Inc: 1 parcel; total book/adjusted carrying value \$3,052,122; Holds a residential golf course development in New Orleans, LA .
Promenade Partners: 1 parcel; total book/adjusted carrying value \$0; Holds a strip mall center in Oakbrook, IL.
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:

- 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).

- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

15. 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 []
16. 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 []
17. 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

18. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 19.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 19.11 To directors or other officers \$.....0
- 19.12 To stockholders not officers \$.....0
- 19.13 Trustees, supreme or grand (Fraternal only) \$.....0
- 19.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 19.21 To directors or other officers \$.....0
- 19.22 To stockholders not officers \$.....0
- 19.23 Trustees, supreme or grand (Fraternal only) \$.....0

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

- 20.1 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]
- 20.2 If yes, state the amount thereof at December 31 of the current year:
- 20.21 Rented from others \$.....0
- 20.22 Borrowed from others \$.....0
- 20.23 Leased from others \$.....0
- 20.24 Other \$.....0
- 21.1 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]
- 21.2 If answer is yes:
- 21.21 Amount paid as losses or risk adjustment \$.....0
- 21.22 Amount paid as expenses \$.....0
- 21.23 Other amounts paid \$.....0
- 22.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 22.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. \$.....0

INVESTMENT

- 23.1 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 23.3)? Yes [X] No []
- 23.2 If no, give full and complete information relating thereto.

23.3 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). This company is a party to a security lending agreement. See Note 17.

- 23.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [X] No [] N/A []
- 23.5 If answer to 23.4 is yes, report amount of collateral for conforming programs. \$.....33,831,000
- 23.6 If answer to 23.4 is no, report amount of collateral for other programs. \$.....0
- 23.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [X] No [] N/A []
- 23.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [X] No [] N/A []
- 23.9 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [X] No [] N/A []

- 24.1 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 20.1 and 23.3) Yes [X] No []
- 24.2 If yes, state the amount thereof at December 31 of the current year:

- 24.21 Subject to repurchase agreements \$.....0
- 24.22 Subject to reverse repurchase agreements \$.....0
- 24.23 Subject to dollar repurchase agreements \$.....0
- 24.24 Subject to reverse dollar repurchase agreements \$.....0
- 24.25 Pledged as collateral \$.....77,800,249
- 24.26 Placed under option agreements \$.....0
- 24.27 Letter stock or securities restricted as to sale \$.....0
- 24.28 On deposit with state or other regulatory body \$.....1,568,303,020
- 24.29 Other \$.....32,212,696

24.3 For category (24.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 25.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [X] No []
- 25.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [X] No [] N/A []
If no, attach a description with this statement.

- 26.1 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]
- 26.2 If yes, state the amount thereof at December 31 of the current year: \$.....0

27. 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 [] No [X]

27.01 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
JPMorgan Chase	270 Park Avenue, New York, NY 10017-2070
The Bank of New York Mellon	One Wall Street, New York, NY 10286

27.02 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)
UBS	1 North Wacker 31st Floor Chicago, IL 60606	Future Account Agreements

- 27.03 Have there been any changes, including name changes, in the custodian(s) identified in 27.01 during the current year? Yes [] No [X]

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

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

27.05 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
N/A	Clarion CRA Securities	259 North Radnor-Chester Rd., Radnor, PA 19087

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

28.1 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]

28.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adj. Carrying Value
28.2999. TOTAL		0

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

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

29. 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 (+)
29.1 Bonds.....	11,036,039,242	11,603,495,543	567,456,301
29.2 Preferred stocks.....	6,580,400	6,580,400	0
29.3 Totals.....	11,042,619,642	11,610,075,943	567,456,301

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

Fair values of bonds and preferred stocks are based on prices published in the NAIC Valuations of Securities. If this unit price is not available, the fair value is based upon quoted market prices or dealer quotes, or if prices are unavailable, based on valuation determined, in good faith, by The Travelers Companies, Inc.

30.1 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 []

30.2 If the answer to 30.1 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 []

30.3 If the answer to 30.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D.

31.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []

31.2 If no, list exceptions:

OTHER

32.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$.....11,426,541

32.2 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
INSURANCE SERVICES OFFICE, INC	4,745,864

33.1 Amount of payments for legal expenses, if any? \$.....25,639,561

33.2 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

34.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....795,761

34.2 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
US CHAMBER OF COMMERCE - INSTITUTE FOR LEGAL REFORM	210,715

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U.S. business only. \$.....0
- 1.3 What portion of item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$.....0
 - 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. \$.....0
- 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 lives0
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 lives0
- 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 lives0
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 lives0

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator.....	\$.....0	\$.....0
2.2 Premium Denominator.....	\$.....4,702,263,702	\$.....4,717,480,992
2.3 Premium Ratio (2.1/2.2).....	.....0.0	.....0.0
2.4 Reserve Numerator.....	\$.....0	\$.....0
2.5 Reserve Denominator.....	\$.....11,746,525,776	\$.....11,565,940,026
2.6 Reserve Ratio (2.4/2.5).....	.....0.0	.....0.0

- 3.1 Does the reporting entity issue both participating and non-participating policies? Yes [X] No []
- 3.2 If yes, state the amount of calendar year premiums written on:
3.21 Participating policies \$.....58,981,336
3.22 Non-participating policies \$.....4,717,441,026

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?0.0 %
- 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. \$.....0

5. FOR RECIPROCAL EXCHANGES ONLY:

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

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

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?

In order to manage its risk, the Company monitors the concentration of insured employees on a location basis. Although the Company currently has no significant workers' compensation treaty reinsurance, the Company reviews available treaty reinsurance coverages periodically and makes purchase decisions as it deems appropriate. Facultative reinsurance purchases are also made as deemed appropriate.

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

The Company uses RiskLink, a product developed by Risk Management Solutions, Inc., to estimate its Probable Maximum Loss (PML). Property exposures are modeled using RiskLink to determine locations of concentration including California, Florida, New Madrid, the Northeast, the Gulf States, and the Mid-Atlantic States. For terrorism risk, the Company uses RMS-PTM, a product developed by Risk Management Solutions, Inc. The Company also develops conventional attack PML's for combined property and workers' compensation exposures for comparison with aggregate corporate guidelines. Buildings with large exposures have a site engineering analysis performed.

- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
The Company purchases both excess of loss and proportional reinsurance to protect itself from an excessive catastrophe loss.

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

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 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 [X] No []
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.14
- 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 [X] 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:
Please see footnote 22E for a list of commutations.
-
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
- (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
- (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
- (c) Aggregate stop loss reinsurance coverage;
- (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
- (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
- (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity? Yes [] No [X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
- (a) The written premium ceded to the reinsurer by the reporting entity or its affiliate represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
- (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract? Yes [] No [X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
- (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
- (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
- (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 32 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
- (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
- (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [] No [X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
- (a) The entity does not utilize reinsurance; or Yes [] No [X]
- (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [] No [X]
- (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [] No [X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurance a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [] N/A []
- 11.1 Has this reporting entity guaranteed policies issued by any other reporting entity and now in force? Yes [X] No []
- 11.2 If yes, give full information:
The company guarantees the policies of several of its subsidiaries as disclosed in its parent's Form B filing.
-
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for:
- 12.11 Unpaid losses \$.....40,109,155
- 12.12 Unpaid underwriting expenses (including loss adjustment expenses) \$.....10,027,289
- 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: \$.....44,093,733
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [] No [X] N/A []
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- 12.41 From0.0 %
- 12.42 To0.0 %
- 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 [X] No []
- 12.6 If yes, state the amount thereof at December 31 of current year:
- 12.61 Letters of credit \$.....1,238,394,311
- 12.62 Collateral and other funds \$.....284,372,172

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$.....8,614,525
- 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.3

- 14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [X] No []
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
Per the Company's Reinsurance Allocation Agreement and Pooling Agreement.

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

- 15.1 Has the reporting entity guaranteed any financial premium accounts? Yes [] No [X]
- 15.2 If yes, give full information:

- 16.1 Does the reporting entity write any warranty business? Yes [] No [X]
- If yes, disclose the following information for each of the following types of warranty coverage:

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

* Disclose type of coverage:

- 17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that it excludes from Schedule F-Part 5? Yes [] No [X]
- Included but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F-Part 5.

- Provide the following information for this exemption:
- 17.11 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5 \$.....0
- 17.12 Unfunded portion of Interrogatory 17.11 \$.....0
- 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 \$.....0
- 17.14 Case reserves portion of Interrogatory 17.11 \$.....0
- 17.15 Incurred but not reported portion of Interrogatory 17.11 \$.....0
- 17.16 Unearned premium portion of Interrogatory 17.11 \$.....0
- 17.17 Contingent commission portion of Interrogatory 17.11 \$.....0

- 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 \$.....0
- 17.19 Unfunded portion of Interrogatory 17.18 \$.....0
- 17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18 \$.....0
- 17.21 Case reserves portion of Interrogatory 17.18 \$.....0
- 17.22 Incurred but not reported portion of Interrogatory 17.18 \$.....0
- 17.23 Unearned premium portion of Interrogatory 17.18 \$.....0
- 17.24 Contingent commission portion of Interrogatory 17.18 \$.....0

- 18.1 Do you act as a custodian for health savings account? Yes [] No [X]
- 18.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$.....0
- 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. \$.....0

FIVE-YEAR HISTORICAL DATA

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

	1 2010	2 2009	3 2008	4 2007	5 2006
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	2,850,460,455	3,100,874,728	3,393,570,157	3,426,121,788	3,412,101,073
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	1,036,082,655	1,128,638,848	1,230,254,741	1,277,955,449	1,257,579,055
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	1,855,443,516	1,796,149,388	1,773,936,700	1,734,521,094	1,842,660,314
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	65,734,670	74,111,269	72,124,146	71,740,881	88,620,778
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	23,693,977	28,948,423	15,959,536	64,887,412	50,645,282
6. Total (Line 35).....	5,831,415,273	6,128,722,656	6,485,845,279	6,575,226,623	6,651,606,502
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	2,208,722,769	2,197,326,722	2,231,670,058	2,184,977,847	2,103,846,752
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	898,868,277	908,800,025	943,013,361	968,350,386	920,610,181
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	1,635,363,639	1,559,786,443	1,526,712,139	1,487,385,424	1,587,653,720
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	28,637,594	28,125,968	26,200,266	15,472,519	30,963,785
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	4,830,084	6,065,736	(16,055,766)	14,660,249	11,533,477
12. Total (Line 35).....	4,776,422,362	4,700,104,894	4,711,540,058	4,670,846,424	4,654,607,916
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	273,996,601	468,494,455	346,894,248	510,805,664	555,226,903
14. Net investment gain (loss) (Line 11).....	812,930,356	524,901,574	735,357,781	874,271,535	623,564,024
15. Total other income (Line 15).....	8,868,787	7,156,681	26,350,873	8,712,202	(12,826,284)
16. Dividends to policyholders (Line 17).....	5,944,977	4,333,516	5,441,271	5,767,644	4,007,798
17. Federal and foreign income taxes incurred (Line 19).....	177,360,281	274,225,479	253,778,169	240,176,771	303,576,896
18. Net income (Line 20).....	912,490,486	721,993,715	849,383,463	1,147,844,986	858,379,950
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	18,356,919,227	19,223,082,666	19,162,959,762	19,842,695,554	20,171,993,801
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	527,912,645	381,020,254	246,280,270	290,131,464	297,424,581
20.2 Deferred and not yet due (Line 15.2).....	907,292,930	886,072,050	962,964,354	984,110,194	1,001,129,046
20.3 Accrued retrospective premiums (Line 15.3).....	48,448,909	119,854,822	79,775,504	56,305,656	33,451,716
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	12,536,050,944	12,631,728,562	12,796,453,285	12,961,588,288	13,152,114,948
22. Losses (Page 3, Line 1).....	7,537,768,939	7,668,426,823	7,861,178,116	8,055,245,217	8,162,526,178
23. Loss adjustment expenses (Page 3, Line 3).....	1,779,650,483	1,833,237,996	1,826,620,788	1,806,063,470	1,851,897,924
24. Unearned premiums (Page 3, Line 9).....	2,128,243,431	2,063,838,983	2,098,724,313	2,099,873,010	2,105,017,678
25. Capital paid up (Page 3, Lines 30 & 31).....	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
26. Surplus as regards policyholders (Page 3, Line 37).....	5,820,868,283	6,591,354,104	6,366,506,477	6,881,107,266	7,019,878,853
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	926,892,248	725,935,114	719,407,190	975,699,174	1,034,230,115
Risk-Based Capital Analysis					
28. Total adjusted capital.....	5,820,868,293	6,591,354,104	6,366,506,477	6,881,107,266	7,019,878,853
29. Authorized control level risk-based capital.....	1,020,809,134	1,053,917,794	1,047,018,163	1,200,098,848	1,228,604,067
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	67.0	69.7	68.5	71.1	70.4
31. Stocks (Lines 2.1 & 2.2).....	21.8	20.0	18.4	18.9	17.7
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....	0.3	0.3	0.3	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3).....	4.3	4.2	4.4	4.2	3.9
34. Cash, cash equivalents and short-term investments (Line 5).....	1.4	2.0	4.9	2.3	2.8
35. Contract loans (Line 6).....	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7).....	0.0	XXX	XXX	XXX	XXX
37. Other invested assets (Line 8).....	5.0	3.8	3.5	3.4	5.1
38. Receivable for securities (Line 9).....	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10).....	0.2	XXX	XXX	XXX	XXX
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
Investments in Parent, Subsidiaries and Affiliates					
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).....	3,295,166,329	3,260,621,668	2,985,665,423	3,228,535,982	3,120,042,402
45. Affiliated short-term investments (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.....	89,426,881	75,462,406	75,773,042	93,701,053	512,413,707
48. Total of above lines 42 to 47.....	3,384,593,210	3,336,084,074	3,061,438,465	3,322,237,035	3,632,456,109
49. 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).....	58.1	50.6	48.1	48.3	51.7

FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2010	2009	2008	2007	2006
Capital and Surplus Accounts (Page 4)					
50. Net unrealized capital gains (losses) (Line 24).....	22,056,399	598,485,082	68,850,703	321,066,190	888,888,774
51. Dividends to stockholders (Line 35).....	(1,846,000,000)	(1,349,250,563)	(1,100,000,000)	(1,428,000,000)	(780,000,000)
52. Change in surplus as regards policyholders for the year (Line 38).....	(770,485,821)	224,847,627	(514,600,789)	(138,771,588)	444,019,324
Gross Losses Paid (Page 9, Part 2, Cols. 1&2)					
53. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	1,861,102,490	1,833,680,286	1,927,134,247	1,995,697,705	2,160,078,963
54. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	581,353,071	639,059,627	652,961,163	588,888,740	630,914,544
55. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	925,461,534	820,695,541	811,327,076	713,791,478	847,992,917
56. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	33,373,617	35,916,014	68,010,556	188,182,204	158,108,277
57. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	131,790,401	150,692,255	693,724,519	366,825,178	332,599,373
58. Total (Line 35).....	3,533,081,112	3,480,043,722	4,153,157,561	3,853,385,305	4,129,694,074
Net Losses Paid (Page 9, Part 2, Col. 4)					
59. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	1,173,398,855	1,090,758,651	1,138,341,007	1,086,589,554	1,124,407,680
60. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	475,640,411	490,467,416	489,024,173	431,698,913	419,076,085
61. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	797,034,551	724,129,753	719,097,476	600,237,544	677,332,103
62. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	15,923,103	18,905,138	16,435,765	49,754,445	47,902,477
63. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	25,516,759	22,870,871	114,858,141	110,617,591	77,128,520
64. Total (Line 35).....	2,487,513,679	2,347,131,829	2,477,756,561	2,278,898,047	2,345,846,866
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
65. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
66. Losses incurred (Line 2).....	50.1	45.7	48.6	46.4	46.1
67. Loss expenses incurred (Line 3).....	11.8	12.4	12.8	12.2	12.5
68. Other underwriting expenses incurred (Line 4).....	32.3	32.1	31.2	30.4	29.3
69. Net underwriting gain (loss) (Line 8).....	5.8	9.9	7.4	10.9	12.1
Other Percentages					
70. 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).....	31.6	32.0	30.6	30.3	29.0
71. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	61.9	58.0	61.4	58.6	58.6
72. 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).....	82.1	71.3	74.0	67.9	66.3
One Year Loss Development (000 omitted)					
73. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	(249,252)	(298,014)	(360,687)	(165,041)	(93,482)
74. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 73 above divided by Page 4, Line 21, Col. 1 x 100).....	(3.8)	(4.7)	(5.2)	(2.4)	(1.4)
Two Year Loss Development (000 omitted)					
75. 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).....	(535,079)	(677,620)	(471,225)	(181,613)	297,687
76. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 75 above divided by Page 4, Line 21, Col. 2 x 100.0).....	(8.4)	(9.8)	(6.7)	(2.8)	5.4

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						10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported-Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments				
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX.....	XXX.....	XXX.....	207,063	83,655	103,165	16,795	35,182	504	5,951	244,456	XXX.....
2. 2001.....	4,498,098	844,661	3,653,437	3,603,753	1,108,699	362,478	72,415	183,461	19,234	94,995	2,949,343	XXX.....
3. 2002.....	5,009,255	1,045,627	3,963,628	2,567,134	609,799	316,082	43,694	150,999	15,558	100,162	2,365,164	XXX.....
4. 2003.....	5,467,166	1,154,011	4,313,155	2,375,351	387,019	267,342	32,976	151,802	14,629	101,386	2,359,872	XXX.....
5. 2004.....	5,413,460	926,738	4,486,722	2,158,023	364,390	217,796	27,709	166,889	15,435	101,666	2,135,174	XXX.....
6. 2005.....	5,216,226	745,705	4,470,520	2,457,464	650,697	195,919	27,845	171,507	11,271	92,435	2,135,077	XXX.....
7. 2006.....	5,130,940	630,341	4,500,599	1,813,671	216,141	163,628	15,102	190,557	5,827	90,158	1,930,785	XXX.....
8. 2007.....	5,217,754	544,633	4,673,121	1,839,798	169,588	154,309	11,327	205,365	4,564	100,659	2,013,993	XXX.....
9. 2008.....	5,241,060	542,410	4,698,651	2,120,527	218,417	127,891	9,606	236,706	3,481	96,132	2,253,620	XXX.....
10. 2009.....	5,150,634	433,153	4,717,481	1,629,444	96,989	81,405	4,396	224,401	2,429	80,815	1,831,435	XXX.....
11. 2010.....	5,097,004	394,741	4,702,263	1,171,825	52,120	38,527	2,124	199,863	1,434	53,468	1,354,537	XXX.....
12. Totals.....	XXX.....	XXX.....	XXX.....	21,944,053	3,957,514	2,028,542	263,990	1,916,732	94,366	917,828	21,573,456	XXX.....

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	1,508,177	431,777	1,490,451	290,317	167,467	30,836	277,930	23,756	171,378	635	2,250	2,838,081	XXX.....
2. 2001.....	185,676	47,598	147,771	41,478	15,686	2,939	27,209	6,510	27,241	256	4,889	304,802	XXX.....
3. 2002.....	133,922	43,139	148,509	47,684	13,358	1,592	33,069	7,257	9,581	162	1,221	238,604	XXX.....
4. 2003.....	141,892	25,416	163,824	49,288	14,166	1,038	41,372	11,999	32,512	366	6,702	305,660	XXX.....
5. 2004.....	136,093	33,728	168,791	42,940	14,962	1,382	33,177	6,791	10,755	165	5,432	278,773	XXX.....
6. 2005.....	151,755	42,043	214,812	62,042	17,421	2,140	34,994	6,989	12,017	178	8,180	317,608	XXX.....
7. 2006.....	183,027	38,783	269,856	50,149	23,068	1,770	43,625	8,676	19,969	37	12,183	440,130	XXX.....
8. 2007.....	258,291	36,309	362,662	68,304	35,506	2,064	73,202	5,859	19,324	(41)	21,316	636,489	XXX.....
9. 2008.....	404,565	43,627	468,124	68,266	50,022	2,765	119,402	10,323	33,865	(65)	39,735	951,062	XXX.....
10. 2009.....	515,046	90,591	587,954	73,454	49,221	2,662	139,988	11,599	40,303	(53)	48,129	1,154,259	XXX.....
11. 2010.....	690,188	54,145	979,819	92,358	52,478	2,470	184,293	11,216	105,307	(54)	88,470	1,851,950	XXX.....
12. Totals.....	4,308,632	887,155	5,002,573	886,280	453,355	51,658	1,008,261	110,975	482,252	1,584	238,507	9,317,419	XXX.....

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior..	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	0	0	XXX.....	2,276,534	561,548
2. 2001.	4,553,275	1,299,129	3,254,146	101.2	153.8	89.1	0	0	24.79	244,371	60,432
3. 2002.	3,372,653	768,885	2,603,769	67.3	73.5	65.7	0	0	24.79	191,608	46,996
4. 2003.	3,188,262	522,731	2,665,531	58.3	45.3	61.8	0	0	24.79	231,012	74,648
5. 2004.	2,906,486	492,540	2,413,946	53.7	53.1	53.8	0	0	24.79	228,216	50,556
6. 2005.	3,255,889	803,204	2,452,685	62.4	107.7	54.9	0	0	24.79	262,482	55,126
7. 2006.	2,707,401	336,485	2,370,916	52.8	53.4	52.7	0	0	24.79	363,951	76,179
8. 2007.	2,948,456	297,974	2,650,483	56.5	54.7	56.7	0	0	24.79	516,340	120,150
9. 2008.	3,561,101	356,419	3,204,682	67.9	65.7	68.2	0	0	24.79	760,795	190,266
10. 2009.	3,267,762	282,067	2,985,695	63.4	65.1	63.3	0	0	24.79	938,955	215,304
11. 2010.	3,422,302	215,815	3,206,487	67.1	54.7	68.2	0	0	24.79	1,523,504	328,446
12. Totals	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	0	0	XXX.....	7,537,769	1,779,651

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	One Year	Two Year
1. Prior.....	5,848,577	6,740,290	7,056,714	7,637,369	8,005,942	8,201,907	8,307,590	8,398,453	8,398,183	8,416,787	18,604	18,334
2. 2001.....	2,942,051	2,932,939	3,052,226	3,101,913	3,068,097	3,104,130	3,093,606	3,107,497	3,096,261	3,070,371	(25,889)	(37,126)
3. 2002.....	XXX	2,624,040	2,414,120	2,494,419	2,534,505	2,549,017	2,537,250	2,526,970	2,514,936	2,469,102	(45,834)	(57,869)
4. 2003.....	XXX	XXX	2,658,036	2,513,800	2,585,576	2,576,959	2,584,095	2,585,924	2,531,781	2,507,631	(24,150)	(78,293)
5. 2004.....	XXX	XXX	XXX	2,897,272	2,626,946	2,509,944	2,432,486	2,343,482	2,299,151	2,262,904	(36,247)	(80,578)
6. 2005.....	XXX	XXX	XXX	XXX	2,943,210	2,713,161	2,614,080	2,432,628	2,351,219	2,291,737	(59,482)	(140,891)
7. 2006.....	XXX	XXX	XXX	XXX	XXX	2,486,349	2,403,395	2,278,058	2,220,220	2,179,801	(40,419)	(98,257)
8. 2007.....	XXX	XXX	XXX	XXX	XXX	XXX	2,566,659	2,509,773	2,449,789	2,442,863	(6,926)	(66,910)
9. 2008.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,942,721	2,965,951	2,949,232	(16,718)	6,511
10. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,746,997	2,734,808	(12,190)	XXX
11. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,914,254	XXX	XXX
12. Totals.....											(249,252)	(535,079)

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
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010		
1. Prior.....	.000	1,517,027	2,754,780	3,338,485	3,918,398	4,385,874	4,758,297	5,186,059	5,410,225	5,620,002	XXX	XXX
2. 2001.....	861,858	1,527,851	1,958,806	2,253,188	2,461,434	2,577,943	2,656,130	2,709,577	2,745,238	2,785,116	XXX	XXX
3. 2002.....	XXX	714,705	1,222,203	1,527,918	1,771,645	1,957,033	2,078,887	2,152,042	2,202,740	2,229,723	XXX	XXX
4. 2003.....	XXX	XXX	759,038	1,309,188	1,659,380	1,867,690	2,032,115	2,127,309	2,181,637	2,222,699	XXX	XXX
5. 2004.....	XXX	XXX	XXX	747,937	1,285,539	1,544,087	1,738,347	1,853,843	1,930,863	1,983,720	XXX	XXX
6. 2005.....	XXX	XXX	XXX	XXX	805,848	1,408,702	1,639,804	1,798,424	1,902,184	1,974,841	XXX	XXX
7. 2006.....	XXX	XXX	XXX	XXX	XXX	775,026	1,220,924	1,454,499	1,621,202	1,746,055	XXX	XXX
8. 2007.....	XXX	XXX	XXX	XXX	XXX	XXX	845,516	1,348,909	1,624,500	1,813,192	XXX	XXX
9. 2008.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,109,683	1,706,300	2,020,395	XXX	XXX
10. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,036,050	1,609,463	XXX	XXX
11. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,156,108	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
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
1. Prior.....	2,679,435	2,438,317	2,136,893	2,207,120	2,137,881	2,042,062	1,953,036	1,750,478	1,630,197	1,508,386
2. 2001.....	1,333,444	715,520	501,968	327,512	220,510	220,275	189,059	188,517	165,769	131,852
3. 2002.....	XXX	1,306,193	616,866	440,715	335,356	266,220	230,149	206,441	186,164	134,128
4. 2003.....	XXX	XXX	1,316,500	659,882	468,538	331,312	272,440	252,311	187,235	150,066
5. 2004.....	XXX	XXX	XXX	1,567,579	859,511	565,078	395,870	277,160	206,713	159,126
6. 2005.....	XXX	XXX	XXX	XXX	1,351,100	855,260	645,545	392,556	280,376	189,750
7. 2006.....	XXX	XXX	XXX	XXX	XXX	1,166,255	768,867	507,854	360,933	265,208
8. 2007.....	XXX	XXX	XXX	XXX	XXX	XXX	1,109,030	691,774	486,189	371,779
9. 2008.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,178,583	724,185	517,487
10. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,106,435	652,755
11. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,071,190

ST. PAUL FIRE AND MARINE INSURANCE COMPANY
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL.....L.....	10,983,531	12,158,054	62,417	16,710,733	10,190,018	80,350,741	11,447	287,097	
2. Alaska.....AK.....L.....	5,022,825	4,781,229	9,564	1,840,970	(329,978)	8,898,605	892	27,530	
3. Arizona.....AZ.....L.....	6,039,749	9,300,393	147,529	15,626,682	8,346,172	62,376,234	5,658	630,241	
4. Arkansas.....AR.....L.....	7,175,444	7,427,035	69,647	1,673,380	16,541,290	26,028,986	6,664	75,219	
5. California.....CA.....L.....	90,761,440	99,210,019	718,780	51,647,049	12,757,811	362,501,605	128,155	3,526,818	
6. Colorado.....CO.....L.....	21,526,697	24,055,761	49,551	15,078,829	7,790,350	96,462,913	33,616	397,727	
7. Connecticut.....CT.....L.....	10,237,011	11,842,902	126,697	17,520,806	7,170,156	71,403,996	21,919	413,484	
8. Delaware.....DE.....L.....	1,794,677	2,518,431	10,810	5,241,938	1,396,117	13,339,736	1,532	69,873	
9. District of Columbia.....DC.....L.....	2,999,017	3,153,815	20,727	5,053,082	4,971,898	28,137,527	1,856	35,633	
10. Florida.....FL.....L.....	68,663,713	73,912,675	643,766	24,811,950	16,138,610	158,190,841	17,520	2,395,523	
11. Georgia.....GA.....L.....	11,169,034	15,095,574	45,777	9,424,930	(2,712,102)	68,555,437	15,891	365,339	
12. Hawaii.....HI.....L.....	2,772,710	2,885,361	136	1,257,987	(483,341)	8,271,307	215	524,026	
13. Idaho.....ID.....L.....	1,671,528	2,011,742	21,953	484,859	(418,789)	5,048,193	2,938	92,232	
14. Illinois.....IL.....L.....	44,656,245	51,243,451	34,709	95,172,284	27,518,292	252,752,496	37,605	548,025	
15. Indiana.....IN.....L.....	9,115,447	10,523,292	6,080	5,982,326	1,036,255	48,324,838	5,531	148,641	
16. Iowa.....IA.....L.....	6,394,707	8,242,176	22,007	3,821,707	7,289,019	45,673,503	4,307	38,078	
17. Kansas.....KS.....L.....	14,866,664	16,084,485	6,461	3,786,606	5,628,223	46,001,649	12,634	58,353	
18. Kentucky.....KY.....L.....	5,201,128	7,968,584	23,417	5,307,260	1,565,409	36,130,340	4,301	74,057	
19. Louisiana.....LA.....L.....	37,841,790	45,709,855	71,041	38,726,747	32,658,574	106,677,894	28,769	1,033,502	
20. Maine.....ME.....L.....	3,349,196	3,593,567	623	1,919,997	1,361,529	7,263,021	4,634	10,150	
21. Maryland.....MD.....L.....	11,857,631	13,549,510	41,574	17,400,798	10,685,667	72,176,172	11,766	199,491	
22. Massachusetts.....MA.....L.....	16,793,463	20,647,128	36,345	27,899,109	3,630,745	116,678,233	31,485	298,810	
23. Michigan.....MI.....L.....	15,775,919	18,904,930	31,257	10,989,450	5,760,555	78,781,020	17,391	276,792	
24. Minnesota.....MN.....L.....	15,629,067	18,405,983	35,889	11,886,707	1,241,803	127,965,258	10,827	362,335	
25. Mississippi.....MS.....L.....	9,583,378	15,980,410	15,803	7,258,972	3,688,194	44,129,574	9,243	416,746	
26. Missouri.....MO.....L.....	11,209,346	13,889,742	2,215	19,907,035	5,150,230	71,220,126	11,538	748,593	
27. Montana.....MT.....L.....	4,092,516	4,863,473	11,623	5,097,474	(7,624,153)	9,984,385	8,257	18,953	
28. Nebraska.....NE.....L.....	4,518,571	4,920,118	13,948	2,017,633	2,179,300	28,849,332	3,431	10,780	
29. Nevada.....NV.....L.....	5,926,585	7,104,784	62,087	4,088,163	2,543,124	37,071,897	6,973	2,272,718	
30. New Hampshire.....NH.....L.....	2,059,188	2,444,930	1,101	3,550,125	1,358,147	18,733,097	3,603	39,883	
31. New Jersey.....NJ.....L.....	33,792,869	36,776,774	30,274	30,274,834	8,436,005	134,551,754	56,891	1,291,196	
32. New Mexico.....NM.....L.....	22,123,389	25,408,766	69,043	17,383,146	14,360,774	44,819,945	25,855	251,119	
33. New York.....NY.....L.....	108,622,308	112,822,450	71,330	89,350,081	64,785,856	428,783,614	138,683	2,733,048	
34. North Carolina.....NC.....L.....	10,249,467	14,422,338	18,645	6,120,075	1,732,612	48,162,336	13,430	163,770	
35. North Dakota.....ND.....L.....	8,784,347	8,116,367	1,694	2,018,827	2,645,260	10,000,233	4,415	3,360	
36. Ohio.....OH.....L.....	18,742,088	22,104,176	1,638	31,198,519	25,995,500	82,459,517	14,164	93,246	
37. Oklahoma.....OK.....L.....	16,993,943	18,125,351	44,153	17,690,294	13,598,466	34,774,530	1,151	248,334	
38. Oregon.....OR.....L.....	5,821,820	6,369,738	5,451	7,670,902	373,510	17,948,134	8,849	48,799	
39. Pennsylvania.....PA.....L.....	41,199,312	41,150,359	122,068	28,517,718	11,066,877	154,340,271	44,722	364,753	
40. Rhode Island.....RI.....L.....	2,754,275	2,966,967	719	21,352,117	(1,172,158)	27,251,178	5,692	47,383	
41. South Carolina.....SC.....L.....	5,213,780	6,667,245	4,515	5,713,472	107,287	30,016,500	7,189	232,910	
42. South Dakota.....SD.....L.....	2,168,396	2,719,429	2,824	427,899	500,582	15,985,068	1,609	8,039	
43. Tennessee.....TN.....L.....	9,464,872	10,722,640	32,947	12,215,035	12,140,187	58,195,282	10,475	135,537	
44. Texas.....TX.....L.....	115,012,887	117,521,356	40,831	71,934,050	29,273,981	339,002,474	145,336	1,243,707	
45. Utah.....UT.....L.....	9,828,957	11,690,399	18,565	5,012,540	1,300,821	29,637,696	18,581	16,128	
46. Vermont.....VT.....L.....	1,634,676	2,168,653	1,210	696,615	(111,451)	9,698,851	2,798	23,436	
47. Virginia.....VA.....L.....	17,971,426	21,618,447	11,459	10,859,947	3,808,340	70,305,458	24,787	200,572	
48. Washington.....WA.....L.....	15,515,209	16,699,626	1,841	30,316,682	8,434,084	96,752,319	34,702	674,186	
49. West Virginia.....WV.....L.....	8,474,681	10,875,212	8,311	7,431,699	4,629,992	25,406,028	3,989	16,444	
50. Wisconsin.....WI.....L.....	18,290,119	19,607,062	26,570	8,736,921	4,322,261	71,601,252	7,331	98,165	
51. Wyoming.....WY.....L.....	17,943,421	19,872,013	6,006	9,057,717	5,814,683	24,857,272	17,506	6,526	
52. American Samoa.....AS.....N.....	0	0	0	0	0	0	0	0	
53. Guam.....GU.....L.....	31,783	15,569	0	0	(8,916)	13,024	0	0	
54. Puerto Rico.....PR.....L.....	1,305,948	1,127,472	0	498,014	(70,205)	5,652,537	9	0	
55. US Virgin Islands.....VI.....L.....	202,176	416,851	0	130,000	171,644	978,360	0	0	
56. Northern Mariana Islands.....MP.....N.....	0	0	0	0	0	0	0	0	
57. Canada.....CN.....L.....	221,289,372	219,351,471	0	86,935,962	79,378,102	416,226,484	0	0	
58. Aggregate Other Alien.....OT.....XXX.....	28,576,955	39,425,031	0	13,837,648	8,482,273	71,992,277	0	0	
59. Totals.....(a).....54.....	1,201,696,691	1,321,191,173	2,863,628	946,566,301	487,025,491	4,387,391,351	1,048,762	23,297,305	

DETAILS OF WRITE-INS

5801. Other Alien Combined.....XXX.....	28,576,955	39,425,031	0	13,837,648	8,482,273	71,992,277	0	0
5802.....XXX.....	0	0	0	0	0	0	0	0
5803.....XXX.....	0	0	0	0	0	0	0	0
5898. Summary of remaining write-ins for Line 58 from overflow page.....XXX.....	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803+ Line 5898) (Line 58 above).....XXX.....	28,576,955	39,425,031	0	13,837,648	8,482,273	71,992,277	0	0

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

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

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

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

FIRE; ALLIED LINES; FARMOWNERS MULTI PERIL; HOMEOWNERS MULTI PERIL; COMMERCIAL MULTI PERIL; EARTHQUAKE; BURGLARY & THEFT; BOILER & MACHINERY-LOCATION OF PROPERTY INSURED; OCEAN MARINE-LOCATION WHERE CONTRACT OF INSURANCE IS NEGOTIATED, EXCEPT BUILDERS RISKS WHICH ARE ALLOCATED ON LOCATIONS OF RISK; INLAND MARINE-ADDRESS OF INSURED OR STATE OF PRINCIPAL EXPOSURE, BRIDGES & TUNNELS-LOCATION OF PROPERTY; FINANCIAL GUARANTY; GROUP ACCIDENT & HEALTH; OTHER ACCIDENT & HEALTH; CREDIT-LOCATION OF INSURED; MEDICAL MALPRACTICE; WORKERS COMPENSATION; OTHER LIABILITY; PRODUCTS LIABILITY-LOCATION OF RISK; AUTO LIABILITY; AUTO PHYSICAL DAMAGE-LOCATION OF PRINCIPAL GARAGE OF INSURED; AIRCRAFT (ALL PERILS)-LOCATION OF AIRPORT FROM WHICH INSURED AIRCRAFT PRINCIPALLY OPERATE; FIDELITY-FORGERY-LOCATION OF INSURED, PUBLIC & FEDERAL OFFICIAL-LOCATION OF OFFICIAL, ALL OTHER FIDELITY-LOCATION OF EMPLOYER; SURETY-CONSTRUCTION CONTRACT-LOCATION OF WORK, SUPPLY CONTRACTS-LOCATION OF CONTRACTOR, JUDICIAL-LOCATION OF COURT, LICENSE-LOCATION OF OBLIGEE; ALL OTHER-LOCATION OF PRINCIPAL.

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

The Travelers Companies, Inc.	Minnesota	41-0518860	... .. Travelers Casualty and Surety Company of America (31194) *	Connecticut	06-0907370
... St. Paul Fire and Marine Insurance Company (24767) *	Connecticut	41-0406690	... .. Travelers Brazil Holding, LLC	Delaware	
... St. Paul Mercury Insurance Company (24791) *	Connecticut	41-0881659	... .. Travelers Casualty Insurance Company of America (19046) *	Connecticut	06-0876835
... St. Paul Guardian Insurance Company (24775) *	Connecticut	41-0963301	... .. Travelers Casualty Company of Connecticut (36170) *	Connecticut	06-1286266
... St. Paul Fire and Casualty Insurance Company (40967) *	Wisconsin	41-1419276	... .. Travelers Casualty UK Investments, LLC	Delaware	
... St. Paul Surplus Lines Insurance Company (30481) *	Delaware	41-1230819	... .. Travelers Commercial Insurance Company (36137) *	Connecticut	06-1286268
... Athena Assurance Company (41769) *	Connecticut	41-1435765	... .. Travelers Excess and Surplus Lines Company (29696) *	Connecticut	06-1203698
... St. Paul Medical Liability Insurance Company (41750) *	Connecticut	41-1435766	... .. Travelers Lloyds of Texas Insurance Company (41564) *	Texas	75-1732040
... Northbrook Holdings, Inc.	Delaware	51-0375653	... .. The Travelers Indemnity Company (25658) *	Connecticut	06-0566050
... Discover Property & Casualty Insurance Company (36463) *	Illinois	36-2999370	... .. The Charter Oak Fire Insurance Company (25615) *	Connecticut	06-0291290
... St. Paul Protective Insurance Company (19224) *	Illinois	36-2542404	... .. First Floridian Auto and Home Insurance Company (10647) *	Florida	59-3372141
... Discover Specialty Insurance Company (10213) *	Illinois	52-1925132	... .. First Trenton Indemnity Company (29930) *	Connecticut	22-3129711
... United States Fidelity and Guaranty Company (25887) *	Connecticut	52-0515280	... .. Gulf Underwriters Insurance Company (42811) *	Connecticut	56-1371361
... Fidelity and Guaranty Insurance Underwriters, Inc. (25879) *	Wisconsin	52-0616768	... .. Select Insurance Company (22233) *	Texas	75-6013697
... Fidelity and Guaranty Insurance Company (35386) *	Iowa	42-1091525	... .. Gulf Underwriting Limited *	United Kingdom	
... MMI Capital Trust I	Delaware	52-2073764	... .. Travelers Casualty and Surety Company of Europe, Limited *	United Kingdom	
... USF&G Capital I	Delaware	52-1953822	... .. Commercial Guaranty Insurance Company (38385) *	Delaware	75-1679830
... USF&G Capital III	Delaware	52-2044075	... .. Jupiter Holdings, Inc.	Minnesota	41-1769846
... 350 Market Street, LLC	Delaware	41-0406690	... .. American Equity Insurance Company (43117) *	Arizona	86-0703220
... UA Combined Investment Company, Ltd	United Kingdom		... .. American Equity Specialty Insurance Company (10819) *	Connecticut	86-0868106
... Travelers Insurance Company Limited *	United Kingdom	AA-1121375	... .. Northland Insurance Company (24015) *	Connecticut	41-6009967
... Travelers Property Casualty Corp.	Connecticut	06-1008174	... .. Northfield Insurance Company (27987) *	Iowa	41-0983992
... Travelers Insurance Group Holdings Inc.	Delaware	06-1445591	... .. Northland Casualty Company (24031) *	Connecticut	94-6051964
... The Standard Fire Insurance Company (19070) *	Connecticut	06-6033509	... .. Travelers Indemnity UK Investments, LLC	Connecticut	
... Standard Fire Properties, LLC	Delaware	06-6033509	... .. The Phoenix Insurance Company (25623) *	Connecticut	06-0303275
... Standard Fire UK Investments, LLC	Delaware		... .. The Travelers Indemnity Company of America (25666) *	Connecticut	58-6020487
... The Automobile Insurance Company of Hartford, Connecticut (19062) *	Connecticut	06-0848755	... .. The Travelers Indemnity Company of Connecticut (25682) *	Connecticut	06-0336212
... Auto Hartford Investments, LLC	Delaware	06-0848755	... .. Travelers Property Casualty Company of America (25674) *	Connecticut	36-2719165
... Travelers Personal Security Insurance Company (36145) *	Connecticut	06-1286264	... .. Constitution State Services, LLC	Delaware	06-1501229
... Travelers Property Casualty Insurance Company (36161) *	Connecticut	06-1286274	... .. The Premier Insurance Company of Massachusetts (12850) *	Massachusetts	04-3175569
... Travelers Personal Insurance Company (38130) *	Connecticut	36-3703200	... .. TravCo Insurance Company (28188) *	Connecticut	35-1838077
... Travelers (Bermuda) Limited *	Bermuda	98-0190863	... .. TINDY Foreign, Inc	Delaware	20-4403403
... Travelers Casualty and Surety Company (19038) *	Connecticut	06-6033504	... .. Travelers Commercial Casualty Company (40282) *	Connecticut	95-3634110
... Farmington Casualty Company (41483) *	Connecticut	06-1067463	... .. The Travelers Home and Marine Insurance Company (27998) *	Connecticut	35-1838079
... Travelers Guarantee Company of Canada*	Canada		... .. The Travelers Lloyds Insurance Company (41262) *	Texas	76-0002592
... Coronation Insurance Company, Ltd. *	Canada		... .. The Travelers Marine Corporation	California	94-0338230

Notes:

* Denotes affiliated insurer

Unless otherwise stated, subsidiaries listed above are 100% owned by respective parent

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