

ANNUAL STATEMENT

For the Year Ended December 31, 2010

OF THE CONDITION AND AFFAIRS OF THE

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

NAIC Group Code **3548** **3548** NAIC Company Code **31194** Employer's ID Number **06-0907370**
(Current Period) (Prior Period)

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

INCORPORATED/ORGANIZED, JULY 18, 1974

COMMENCED BUSINESS, JULY 24, 1974

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: **One Tower Square, Hartford, CT 06183 (860) 277-0111**
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


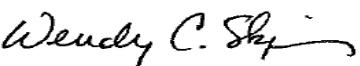
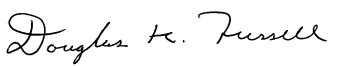
Name	Title	Name	Title
1. BRIAN WILLIAM MacLEAN	Chairman of the Board, President & Chief Executive Officer	# MARIA OLIVO	Executive Vice President, Strategic Development & Treasurer
2. JAY STEVEN BENET	Vice Chairman & Chief Financial Officer	DOREEN SPADORCIA.....	Executive Vice President, Claim
3. CHARLES 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

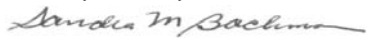
JAY STEVEN BENET BRIAN WILLIAM MacLEAN # KENNETH FRANKLIN SPENCE, III
WILLIAM HERBERT HEYMAN DOREEN SPADORCIA GREGORY CHESHIRE TOCZYDLOWSKI

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	_____ Wendy C. Skjerven	_____ Douglas K. Russell
_____ President	_____ Secretary	_____ Controller

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).....	3,817,487,280	0	3,817,487,280	3,673,398,648
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	0	0	0	0
2.2 Common stocks.....	0	0	0	13
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	0	0	0	0
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances).....	0	0	0	0
5. Cash (\$.....(19,426,090), Sch. E-Part 1), cash equivalents (\$.....0, Sch. E-Part 2) and short-term investments (\$.....60,214,266, Sch. DA).....	40,788,176	0	40,788,176	91,652,774
6. Contract loans (including \$.....0 premium notes).....	0	0	0	0
7. Derivatives.....	0	0	0	0
8. Other invested assets (Schedule BA).....	1,529,290	1,490,790	38,500	0
9. Receivables for securities.....	0	0	0	167,510
10. Securities lending reinvested collateral assets.....	11,844,000	0	11,844,000	0
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	3,871,648,746	1,490,790	3,870,157,956	3,765,218,946
13. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	53,309,217	0	53,309,217	51,425,446
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in course of collection.....	85,425,712	13,721,298	71,704,415	317,348,494
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....45,904,312 earned but unbilled premiums).....	113,382,831	6,058,544	107,324,287	109,422,760
15.3 Accrued retrospective premiums.....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	28,960,685	0	28,960,685	12,000,980
16.2 Funds held by or deposited with reinsured companies.....	0	0	0	0
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	0
18.2 Net deferred tax asset.....	86,690,508	18,897,129	67,793,379	72,285,733
19. Guaranty funds receivable or on deposit.....	81,901	0	81,901	195,610
20. Electronic data processing equipment and software.....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$.....0).....	0	0	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.....	34,025,660	0	34,025,660	0
24. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
25. Aggregate write-ins for other than invested assets.....	20,085,102	15,184,080	4,901,022	6,365,581
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	4,293,610,363	55,351,840	4,238,258,523	4,334,263,549
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. TOTALS (Lines 26 and 27).....	4,293,610,363	55,351,840	4,238,258,523	4,334,263,549

DETAILS OF WRITE-INS

1101.....	0	0	0	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).....	0	0	0	0
2501. Suspense, undistributed payments.....	4,507,656	0	4,507,656	4,648,848
2502. Amounts receivable under high deductible policies.....	3,085	(221,235)	224,320	87,347
2503. State surcharges receivable.....	64,746	0	64,746	470,000
2598. Summary of remaining write-ins for Line 25 from overflow page.....	15,509,615	15,405,315	104,299	1,159,386
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	20,085,102	15,184,080	4,901,022	6,365,581

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	920,220,402	898,279,087
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	2,526,742	2,565,618
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	477,495,945	391,664,338
4. Commissions payable, contingent commissions and other similar charges.....	31,967,828	34,630,566
5. Other expenses (excluding taxes, licenses and fees).....	34,523,822	31,736,727
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	53,079,669	59,474,472
7.1 Current federal and foreign income taxes (including \$.....(1,541,728) on realized capital gains (losses)).....	3,320,537	6,951,413
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 \$.....145,282,052 and including warranty reserves of \$.....0).....	813,054,297	839,517,654
10. Advance premium.....	484,513	357,890
11. Dividends declared and unpaid:		
11.1 Stockholders.....	0	0
11.2 Policyholders.....	7,479,605	8,825,721
12. Ceded reinsurance premiums payable (net of ceding commissions).....	(60,388,527)	(47,612,192)
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	96,187,983	101,203,705
14. Amounts withheld or retained by company for account of others.....	25,591,395	47,770,209
15. Remittances and items not allocated.....	9,428,732	49,208,988
16. Provision for reinsurance (Schedule F, Part 7).....	5,357,627	7,950,503
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0
18. Drafts outstanding.....	0	0
19. Payable to parent, subsidiaries and affiliates.....	0	60,758,201
20. Derivatives.....	0	0
21. Payable for securities.....	0	0
22. Payable for securities lending.....	11,844,000	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.....	3,859,439	4,131,987
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	2,436,034,011	2,497,414,887
27. Protected cell liabilities.....	0	0
28. Total liabilities (Lines 26 and 27).....	2,436,034,011	2,497,414,887
29. Aggregate write-ins for special surplus funds.....	78,521,512	80,835,721
30. Common capital stock.....	6,480,000	6,480,000
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.....	433,803,760	433,803,760
35. Unassigned funds (surplus).....	1,283,419,240	1,315,729,180
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).....	1,802,224,512	1,836,848,661
38. TOTALS (Page 2, Line 28, Col. 3).....	4,238,258,523	4,334,263,549

DETAILS OF WRITE-INS

2501. Retroactive reinsurance reserve assumed.....	3,289,979	3,174,786
2502. Escheat liability.....	564,477	942,342
2503. Federal excise tax-reinsurance contracts.....	4,984	14,859
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	3,859,439	4,131,987
2901. Special surplus from retroactive reinsurance.....	48,285,000	48,285,000
2902. Special surplus for deferred taxes.....	30,236,512	32,550,721
2903.	0	0
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).....	78,521,512	80,835,721
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

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

STATEMENT OF INCOME

UNDERWRITING INCOME	1 Current Year	2 Prior Year
1. Premiums earned (Part 1, Line 35, Column 4).....	1,271,764,273	1,272,725,748
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7).....	309,006,092	230,402,668
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	140,422,650	157,268,584
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	475,565,855	496,151,066
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	924,994,598	883,822,318
7. Net income of protected cells.....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	346,769,675	388,903,430
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	174,015,106	178,292,826
10. Net realized capital gains (losses) less capital gains tax of \$....(44,416) (Exhibit of Capital Gains (Losses)).....	10,623,394	(10,332,276)
11. Net investment gain (loss) (Lines 9 + 10).....	184,638,500	167,960,551
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$....769,100 amount charged off \$....1,648,655).....	(879,555)	(898,909)
13. Finance and service charges not included in premiums.....	110,725	87,543
14. Aggregate write-ins for miscellaneous income.....	892,111	28,346,186
15. Total other income (Lines 12 through 14).....	123,281	27,534,820
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	531,531,456	584,398,801
17. Dividends to policyholders.....	5,285,009	7,275,422
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).....	526,246,447	577,123,379
19. Federal and foreign income taxes incurred.....	141,154,218	173,818,946
20. Net income (Line 18 minus Line 19) (to Line 22).....	385,092,229	403,304,433
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	1,836,848,661	1,873,708,203
22. Net income (from Line 20).....	385,092,229	403,304,433
23. Net transfers (to) from Protected Cell accounts.....	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$....460,016.....	842,817	19,027,068
25. Change in net unrealized foreign exchange capital gain (loss).....	0	0
26. Change in net deferred income tax.....	(5,455,341)	2,075,246
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28 Column 3).....	(12,082,521)	18,466,513
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	2,592,876	(2,498,207)
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	1,914,683
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.....	0	0
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.....	(403,300,000)	(511,700,000)
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.....	(2,314,209)	32,550,721
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	(34,624,149)	(36,859,542)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	1,802,224,512	1,836,848,661
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. Profit and loss, miscellaneous.....	953,677	19,761,251
1402. Fines and penalties of regulatory authorities.....	(63)	(66)
1403. Retroactive reinsurance gain/loss.....	(61,503)	8,585,000
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	892,111	28,346,186
3701. Change in special surplus from deferred taxes.....	(2,314,209)	32,550,721
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).....	(2,314,209)	32,550,721

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	1,477,627,256	1,386,462,676
2. Net investment income.....	191,826,860	189,695,064
3. Miscellaneous income.....	123,281	27,534,820
4. Total (Lines 1 through 3).....	1,669,577,398	1,603,692,560
5. Benefit and loss related payments.....	304,063,358	154,372,711
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	536,617,880	537,694,710
8. Dividends paid to policyholders.....	6,631,125	8,067,931
9. Federal and foreign income taxes paid (recovered) net of \$.....1,415,259 tax on capital gains (losses).....	144,740,678	269,324,495
10. Total (Lines 5 through 9).....	992,053,041	969,459,847
11. Net cash from operations (Line 4 minus Line 10).....	677,524,357	634,232,713
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	524,071,161	453,293,598
12.2 Stocks.....	0	14,211,046
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0
12.7 Miscellaneous proceeds.....	167,510	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	524,238,671	467,504,644
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	675,645,772	531,228,557
13.2 Stocks.....	0	177,013
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	1,552,700	0
13.6 Miscellaneous applications.....	0	5,340,960
13.7 Total investments acquired (Lines 13.1 to 13.6).....	677,198,472	536,746,530
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).....	(152,959,801)	(69,241,885)
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.....	0	0
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0
16.5 Dividends to stockholders.....	403,300,000	511,700,000
16.6 Other cash provided (applied).....	(172,129,154)	(118,576,086)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(575,429,154)	(630,276,086)
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).....	(50,864,598)	(65,285,258)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	91,652,774	156,938,032
19.2 End of year (Line 18 plus Line 19.1).....	40,788,176	91,652,774
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001 Statutory merger.....	0	138,731,885
20.0002 Stock converted to bonds.....	0	14,038,484
20.0003 Exchange of stock.....	0	177,013
20.0004 Intercompany transaction.....	0	(183,168,567)

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA 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.....	.0	.0	.0	.0
2. Allied lines.....	.0	.0	.0	.0
3. Farmowners multiple peril.....	.0	.0	.0	.0
4. Homeowners multiple peril.....	.0	.0	.0	.0
5. Commercial multiple peril.....	.0	.0	.0	.0
6. Mortgage guaranty.....	.0	.0	.0	.0
8. Ocean marine.....	.0	.0	.0	.0
9. Inland marine.....	.0	.0	.0	.0
10. Financial guaranty.....	.0	.0	.0	.0
11.1 Medical professional liability - occurrence.....	.0	.0	.0	.0
11.2 Medical professional liability - claims-made.....	.0	.0	.0	.0
12. Earthquake.....	.0	.0	.0	.0
13. Group accident and health.....	.0	.0	.0	.0
14. Credit accident and health (group and individual).....	.0	.0	.0	.0
15. Other accident and health.....	.0	.0	.0	.0
16. Workers' compensation.....	.0	(2)	(2)	(0)
17.1 Other liability - occurrence.....	.0	.2	.2	.0
17.2 Other liability - claims-made.....	319,189,640	158,000,695	158,530,957	318,659,378
17.3 Excess workers' compensation.....	.0	.0	.0	.0
18.1 Products liability - occurrence.....	.0	.0	.0	.0
18.2 Products liability - claims-made.....	.0	.0	.0	.0
19.1, 19.2 Private passenger auto liability.....	.0	.0	.0	.0
19.3, 19.4 Commercial auto liability.....	.0	.0	.0	.0
21. Auto physical damage.....	.0	.0	.0	.0
22. Aircraft (all perils).....	.0	.0	.0	.0
23. Fidelity.....	112,852,260	61,761,719	64,882,739	109,731,240
24. Surety.....	787,308,251	562,083,492	531,335,899	818,055,843
26. Burglary and theft.....	25,512,449	12,205,751	12,400,388	25,317,812
27. Boiler and machinery.....	.0	.0	.0	.0
28. Credit.....	.0	.0	.0	.0
29. International.....	.0	.0	.0	.0
30. Warranty.....	.0	.0	.0	.0
31. Reinsurance - nonproportional assumed property.....	.0	.0	.0	.0
32. Reinsurance - nonproportional assumed liability.....	.0	.0	.0	.0
33. Reinsurance - nonproportional assumed financial lines.....	.0	.0	.0	.0
34. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0
35. TOTALS.....	1,244,862,600	794,051,657	767,149,984	1,271,764,273

DETAILS OF WRITE-INS

3401. ....	.0	.0	.0	.0
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).....	.0	.0	.0	.0

**TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire.....	0	0	0	0	0
2.	Allied lines.....	0	0	0	0	0
3.	Farmowners multiple peril.....	0	0	0	0	0
4.	Homeowners multiple peril.....	0	0	0	0	0
5.	Commercial multiple peril.....	0	0	0	0	0
6.	Mortgage guaranty.....	0	0	0	0	0
8.	Ocean marine.....	0	0	0	0	0
9.	Inland marine.....	0	0	0	0	0
10.	Financial guaranty.....	0	0	0	0	0
11.1	Medical professional liability - occurrence.....	0	0	0	0	0
11.2	Medical professional liability - claims-made.....	0	0	0	0	0
12.	Earthquake.....	0	0	0	0	0
13.	Group accident and health.....	0	0	0	0	0
14.	Credit accident and health (group and individual).....	0	0	0	0	0
15.	Other accident and health.....	0	0	0	0	0
16.	Workers' compensation.....	0	0	(2)	0	(2)
17.1	Other liability - occurrence.....	0	0	2	0	2
17.2	Other liability - claims-made.....	139,782,756	18,748,201	0	0	158,530,957
17.3	Excess workers' compensation.....	0	0	0	0	0
18.1	Products liability - occurrence.....	0	0	0	0	0
18.2	Products liability - claims-made.....	0	0	0	0	0
19.1, 19.2	Private passenger auto liability.....	0	0	0	0	0
19.3, 19.4	Commercial auto liability.....	0	0	0	0	0
21.	Auto physical damage.....	0	0	0	0	0
22.	Aircraft (all perils).....	0	0	0	0	0
23.	Fidelity.....	42,894,751	21,987,989	0	0	64,882,739
24.	Surety.....	128,688,675	448,551,537	(45,904,312)	0	531,335,899
26.	Burglary and theft.....	11,116,638	1,283,750	0	0	12,400,388
27.	Boiler and machinery.....	0	0	0	0	0
28.	Credit.....	0	0	0	0	0
29.	International.....	0	0	0	0	0
30.	Warranty.....	0	0	0	0	0
31.	Reinsurance - nonproportional assumed property.....	0	0	0	0	0
32.	Reinsurance - nonproportional assumed liability.....	0	0	0	0	0
33.	Reinsurance - nonproportional assumed financial lines.....	0	0	0	0	0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0
35.	TOTALS.....	322,482,820	490,571,477	(45,904,312)	0	767,149,984
36.	Accrued retrospective premiums based on experience.....					0
37.	Earned but unbilled premiums.....					45,904,312
38.	Balance (sum of Lines 35 through 37).....					813,054,297

DETAILS OF WRITE-INS

3401.	.....	0	0	0	0	0
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).....	0	0	0	0	0

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

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
	Direct Business (a)	2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....	.0	.0	.0	.0	.0	.0
2. Allied lines.....	.0	.0	.0	.0	.0	.0
3. Farmowners multiple peril.....	.0	.0	.0	.0	.0	.0
4. Homeowners multiple peril.....	.0	.0	.0	.0	.0	.0
5. Commercial multiple peril.....	.0	.0	.0	.0	.0	.0
6. Mortgage guaranty.....	.0	.0	.0	.0	.0	.0
8. Ocean marine.....	.0	.0	.0	.0	.0	.0
9. Inland marine.....	.0	.0	.0	.0	.0	.0
10. Financial guaranty.....	.0	.0	.0	.0	.0	.0
11.1 Medical professional liability - occurrence.....	.0	.0	.0	.0	.0	.0
11.2 Medical professional liability - claims-made.....	.0	.0	.0	.0	.0	.0
12. Earthquake.....	.0	.0	.0	.0	.0	.0
13. Group accident and health.....	.0	.0	.0	.0	.0	.0
14. Credit accident and health (group and individual).....	.0	.0	.0	.0	.0	.0
15. Other accident and health.....	.0	.0	.0	.0	.0	.0
16. Workers' compensation.....	(118,644)	.0	.0	(118,644)	.0	.0
17.1 Other liability - occurrence.....	(69,648)	.0	(3,401)	(73,048)	.0	.0
17.2 Other liability - claims-made.....	487,687,466	8,274,312	675,620	165,143,937	12,303,822	319,189,640
17.3 Excess workers' compensation.....	.0	.0	.0	.0	.0	.0
18.1 Products liability - occurrence.....	.0	.0	.0	.0	.0	.0
18.2 Products liability - claims-made.....	.0	.0	.0	.0	.0	.0
19.1, 19.2 Private passenger auto liability.....	.0	.0	.0	.0	.0	.0
19.3, 19.4 Commercial auto liability.....	.0	.0	.0	.0	.0	.0
21. Auto physical damage.....	.0	.0	.0	.0	.0	.0
22. Aircraft (all perils).....	.0	.0	.0	.0	.0	.0
23. Fidelity.....	116,185,045	718,521	74,800	2,538,117	1,587,989	112,852,260
24. Surety.....	787,400,251	82,045,412	5,162,175	13,725,648	73,573,939	787,308,251
26. Burglary and theft.....	33,925,967	175,853	.0	8,541,583	47,788	25,512,449
27. Boiler and machinery.....	.0	.0	.0	.0	.0	.0
28. Credit.....	.0	.0	.0	.0	.0	.0
29. International.....	.0	.0	.0	.0	.0	.0
30. Warranty.....	.0	.0	.0	.0	.0	.0
31. Reinsurance - nonproportional assumed property.....	XXX	.0	.0	.0	.0	.0
32. Reinsurance - nonproportional assumed liability.....	XXX	.0	.0	.0	.0	.0
33. Reinsurance - nonproportional assumed financial lines.....	XXX	.0	.0	.0	.0	.0
34. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0
35. TOTALS.....	1,425,010,438	91,214,098	5,909,194	189,757,593	87,513,538	1,244,862,600

DETAILS OF WRITE-INS

3401. ....	.0	.0	.0	.0	.0	.0
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).....	.0	.0	.0	.0	.0	.0

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

If yes: 1. The amount of such installment premiums \$.....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.....	0	0	0	0	0	0	0	0.0
2. Allied lines.....	0	0	0	0	0	0	0	0.0
3. Farmowners multiple peril.....	0	0	0	0	0	0	0	0.0
4. Homeowners multiple peril.....	0	0	0	0	0	0	0	0.0
5. Commercial multiple peril.....	380,149	0	380,149	0	0	0	0	0.0
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0.0
8. Ocean marine.....	0	0	0	0	0	0	0	0.0
9. Inland marine.....	0	0	0	0	0	0	0	0.0
10. Financial guaranty.....	0	0	0	0	129	129	0	0.0
11.1 Medical professional liability - occurrence.....	0	0	0	0	0	0	0	0.0
11.2 Medical professional liability - claims-made.....	0	0	0	0	0	0	0	0.0
12. Earthquake.....	0	0	0	0	0	0	0	0.0
13. Group accident and health.....	0	0	0	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.....	0	0	0	0	0	0	0	0.0
16. Workers' compensation.....	50,161	0	50,161	0	0	0	0	(400.0)
17.1 Other liability - occurrence.....	(548,877)	0	(548,877)	0	0	0	0	0.0
17.2 Other liability - claims-made.....	192,941,314	4,926,829	45,990,495	151,877,648	334,564,115	329,021,919	157,419,843	49.4
17.3 Excess workers' compensation.....	0	0	0	0	0	0	0	0.0
18.1 Products liability - occurrence.....	18,000	0	18,000	0	0	0	0	0.0
18.2 Products liability - claims-made.....	0	0	0	0	0	0	0	0.0
19.1, 19.2 Private passenger auto liability.....	0	0	0	0	0	0	0	0.0
19.3, 19.4 Commercial auto liability.....	116,253	0	116,253	0	0	0	0	0.0
21. Auto physical damage.....	(34)	0	(34)	0	0	0	0	0.0
22. Aircraft (all perils).....	0	0	0	0	0	0	0	0.0
23. Fidelity.....	34,847,024	(119,227)	291,323	34,436,474	14,000,522	17,213,341	31,223,655	28.5
24. Surety.....	107,149,551	4,175,743	11,848,518	99,476,775	553,979,802	536,900,938	116,555,639	14.2
26. Burglary and theft.....	1,436,125	(61)	162,184	1,273,879	17,675,835	15,142,759	3,806,956	15.0
27. Boiler and machinery.....	0	0	0	0	0	0	0	0.0
28. Credit.....	0	0	0	0	0	0	0	0.0
29. International.....	0	0	0	0	0	0	0	0.0
30. Warranty.....	0	0	0	0	0	0	0	0.0
31. Reinsurance - nonproportional assumed property.....	XXX	0	0	0	0	0	0	0.0
32. Reinsurance - nonproportional assumed liability.....	XXX	3,803,405	3,803,405	0	0	0	0	0.0
33. Reinsurance - nonproportional assumed financial lines.....	XXX	0	0	0	0	0	0	0.0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0.0
35. TOTALS.....	336,389,665	12,786,689	62,111,576	287,064,777	920,220,402	898,279,087	309,006,092	24.3

DETAILS OF WRITE-INS

3401.	0	0	0	0	0	0	0	0.0
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).....	0	0	0	0	0	0	0	0.0

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.....	0	0	0	0	16	0	16	0	0
2. Allied lines.....	0	0	0	0	113	0	113	0	0
3. Farmowners multiple peril.....	0	0	0	0	7	0	7	0	0
4. Homeowners multiple peril.....	0	0	0	0	0	0	0	0	0
5. Commercial multiple peril.....	355,581	0	355,581	0	3,994,176	0	3,994,176	0	0
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0	0
8. Ocean marine.....	0	0	0	0	0	0	0	0	0
9. Inland marine.....	0	0	0	0	459	0	459	0	0
10. Financial guaranty.....	0	0	0	0	130	(1)	0	129	24
11.1 Medical professional liability - occurrence.....	0	0	0	0	0	0	0	0	0
11.2 Medical professional liability - claims-made.....	0	0	0	0	0	0	0	0	0
12. Earthquake.....	0	0	0	0	0	0	0	0	0
13. Group accident and health.....	0	0	0	0	0	0	0	(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.....	0	0	0	0	0	0	0	(a) 0	0
16. Workers' compensation.....	6,539,907	0	6,539,907	0	15,198,296	0	15,198,296	0	1
17.1 Other liability - occurrence.....	49,393	0	49,393	0	7,348,956	0	7,348,956	0	0
17.2 Other liability - claims-made.....	218,590,337	5,160,218	72,407,639	151,342,915	276,736,707	5,468,694	98,984,202	334,564,115	146,065,772
17.3 Excess workers' compensation.....	0	0	0	0	0	0	0	0	0
18.1 Products liability - occurrence.....	941,747	0	941,747	0	1,488,017	0	1,488,017	0	0
18.2 Products liability - claims-made.....	0	0	0	0	0	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	0	0	0	0	0	0	0	0	0
19.3, 19.4 Commercial auto liability.....	54,878	0	54,878	0	(122)	0	(122)	0	0
21. Auto physical damage.....	0	0	0	0	8,685	0	8,685	0	0
22. Aircraft (all perils).....	0	0	0	0	0	0	0	0	0
23. Fidelity.....	15,534,080	10,751	135,920	15,408,911	920,348	219,440	2,548,176	14,000,522	26,739,983
24. Surety.....	115,821,379	20,381,588	18,580,356	117,622,611	471,028,971	49,480,158	84,151,938	553,979,802	297,413,150
26. Burglary and theft.....	454,190	0	5,664	448,527	22,667,929	119,929	5,560,550	17,675,835	7,277,016
27. Boiler and machinery.....	0	0	0	0	0	0	0	0	0
28. Credit.....	0	0	0	0	0	0	0	0	0
29. International.....	0	0	0	0	0	0	0	0	0
30. Warranty.....	0	0	0	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	XXX	0	0	0	XXX	0	0	0	0
32. Reinsurance - nonproportional assumed liability.....	XXX	5,743,348	5,743,348	0	XXX	0	0	0	0
33. Reinsurance - nonproportional assumed financial lines.....	XXX	0	0	0	XXX	0	0	0	0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
35. TOTALS.....	358,341,492	31,295,905	104,814,434	284,822,963	799,392,690	55,288,220	219,283,471	920,220,402	477,495,945
DETAILS OF WRITE-INS									
3401.	0	0	0	0	0	0	0	0	0
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).....	0	0	0	0	0	0	0	0	0

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

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

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.....	108,097,673	0	0	108,097,673
1.2 Reinsurance assumed.....	5,349,934	0	0	5,349,934
1.3 Reinsurance ceded.....	22,342,564	0	0	22,342,564
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	91,105,043	0	0	91,105,043
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....	0	243,774,273	0	243,774,273
2.2 Reinsurance assumed, excluding contingent.....	0	13,532,555	0	13,532,555
2.3 Reinsurance ceded, excluding contingent.....	0	31,515,929	0	31,515,929
2.4 Contingent - direct.....	0	5,890,498	0	5,890,498
2.5 Contingent - reinsurance assumed.....	0	411,806	0	411,806
2.6 Contingent - reinsurance ceded.....	0	1,123,947	0	1,123,947
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	230,969,256	0	230,969,256
3. Allowances to manager and agents.....	0	8,444	0	8,444
4. Advertising.....	66	1,836,248	0	1,836,314
5. Boards, bureaus and associations.....	38	502,555	0	502,593
6. Surveys and underwriting reports.....	375	523,822	0	524,197
7. Audit of assureds' records.....	0	0	0	0
8. Salary and related items:				
8.1 Salaries.....	34,327,397	132,408,511	836,124	167,572,032
8.2 Payroll taxes.....	2,485,070	8,704,857	25,283	11,215,210
9. Employee relations and welfare.....	5,320,278	18,783,025	81,954	24,185,257
10. Insurance.....	1,337,701	1,332,703	1,031	2,671,435
11. Directors' fees.....	0	0	0	0
12. Travel and travel items.....	1,379,484	7,293,670	14,866	8,688,020
13. Rent and rent items.....	1,983,564	7,012,246	30,830	9,026,640
14. Equipment.....	292,976	2,278,287	10,914	2,582,177
15. Cost or depreciation of EDP equipment and software.....	194,772	16,836,809	23,464	17,055,045
16. Printing and stationery.....	164,698	704,351	3,095	872,144
17. Postage, telephone and telegraph, exchange and express.....	449,527	2,209,748	5,291	2,664,566
18. Legal and auditing.....	161,187	3,194,768	4,785,241	8,141,196
19. Totals (Lines 3 to 18).....	48,097,133	203,630,044	5,818,093	257,545,270
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....73,295.....	0	29,730,590	0	29,730,590
20.2 Insurance department licenses and fees.....	0	3,926,236	0	3,926,236
20.3 Gross guaranty association assessments.....	0	(442,959)	0	(442,959)
20.4 All other (excluding federal and foreign income and real estate).....	0	1,253,594	0	1,253,594
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	0	34,467,461	0	34,467,461
21. Real estate expenses.....	0	0	16	16
22. Real estate taxes.....	0	0	0	0
23. Reimbursements by uninsured plans.....	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses.....	1,220,474	6,499,094	326,083	8,045,651
25. Total expenses incurred.....	140,422,650	475,565,855	6,144,192	(a) 622,132,697
26. Less unpaid expenses - current year.....	477,495,945	118,998,773	572,546	597,067,264
27. Add unpaid expenses - prior year.....	391,664,338	125,573,465	268,300	517,506,103
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).....	54,591,042	482,140,547	5,839,946	542,571,535

DETAILS OF WRITE-INS

2401. Miscellaneous expenses.....	1,243,903	16,786,799	326,083	18,356,785
2402. Cost of computer software developed for internal use.....	(23,429)	(10,287,705)	0	(10,311,134)
2403.	0	0	0	0
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).....	1,220,474	6,499,094	326,083	8,045,651

(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).....2,512,074	.....2,639,009
1.1 Bonds exempt from U.S. tax.....	(a).....111,096,640	.....112,261,984
1.2 Other bonds (unaffiliated).....	(a).....64,331,801	.....64,717,702
1.3 Bonds of affiliates.....	(a).....0	.....0
2.1 Preferred stocks (unaffiliated).....	(b).....0	.....0
2.11 Preferred stocks of affiliates.....	(b).....0	.....0
2.2 Common stocks (unaffiliated).....	.....0	.....0
2.21 Common stocks of affiliates.....	.....0	.....0
3. Mortgage loans.....	(c).....0	.....0
4. Real estate.....	(d).....0	.....0
5. Contract loans.....	.....0	.....0
6. Cash, cash equivalents and short-term investments.....	(e).....301,113	.....301,113
7. Derivative instruments.....	(f).....0	.....0
8. Other invested assets.....	.....(11,910)	.....193,682
9. Aggregate write-ins for investment income.....	.....45,809	.....45,809
10. Total gross investment income.....	.....178,275,526	.....180,159,298
11. Investment expenses.....		(g).....6,144,192
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g).....0
13. Interest expense.....		(h).....0
14. Depreciation on real estate and other invested assets.....		(i).....0
15. Aggregate write-ins for deductions from investment income.....		.....0
16. Total deductions (Lines 11 through 15).....		.....6,144,192
17. Net investment income (Line 10 minus Line 16).....		.....174,015,106

DETAILS OF WRITE-INS

0901. Securities Lending Income.....	.....35,020	.....35,020
0902. Miscellaneous Income.....	.....10,789	.....10,789
0903. ....	.....0	.....0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....45,809	.....45,809
1501. ....		.....0
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).....		.....0

- (a) Includes \$.....3,192,908 accrual of discount less \$.....22,572,278 amortization of premium and less \$.....1,604,165 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 \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 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 \$.....0 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.....	.....0	.....0	.....0	.....0	.....0
1.1 Bonds exempt from U.S. tax.....	.....6,954,428	.....0	.....6,954,428	.....0	.....0
1.2 Other bonds (unaffiliated).....	.....3,892,088	.....(267,457)	.....3,624,631	.....1,314,333	.....0
1.3 Bonds of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.1 Preferred stocks (unaffiliated).....	.....0	.....0	.....0	.....0	.....0
2.11 Preferred stocks of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.2 Common stocks (unaffiliated).....	.....(13)	.....0	.....(13)	.....0	.....0
2.21 Common stocks of affiliates.....	.....0	.....0	.....0	.....0	.....0
3. Mortgage loans.....	.....0	.....0	.....0	.....0	.....0
4. Real estate.....	.....0	.....0	.....0	.....0	.....0
5. Contract loans.....	.....0	.....0	.....0	.....0	.....0
6. Cash, cash equivalents and short-term investments.....	.....0	.....0	.....0	.....0	.....0
7. Derivative instruments.....	.....0	.....0	.....0	.....0	.....0
8. Other invested assets.....	.....0	.....0	.....0	.....(11,500)	.....0
9. Aggregate write-ins for capital gains (losses).....	.....0	.....(68)	.....(68)	.....0	.....0
10. Total capital gains (losses).....	.....10,846,503	.....(267,526)	.....10,578,977	.....1,302,833	.....0

DETAILS OF WRITE-INS

0901. Foreign Exchange.....	.....0	.....(68)	.....(68)	.....0	.....0
0902. ....	.....0	.....0	.....0	.....0	.....0
0903. ....	.....0	.....0	.....0	.....0	.....0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....(68)	.....(68)	.....0	.....0

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....	0	0	0
2.2 Common stocks.....	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....	0	0	0
3.2 Other than first liens.....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale.....	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans.....	0	0	0
7. Derivatives.....	0	0	0
8. Other invested assets (Schedule BA).....	1,490,790	0	(1,490,790)
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).....	1,490,790	0	(1,490,790)
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.....	13,721,298	9,745,615	(3,975,683)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	6,058,544	7,267,728	1,209,184
15.3 Accrued retrospective premiums.....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....	0	0	0
16.2 Funds held by or deposited with reinsured companies.....	0	0	0
16.3 Other amounts receivable under reinsurance contracts.....	0	0	0
17. Amounts receivable relating to uninsured plans.....	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	0	0	0
18.2 Net deferred tax asset.....	18,897,129	20,320,132	1,423,003
19. Guaranty funds receivable or on deposit.....	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets.....	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	0	0	0
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other than invested assets.....	15,184,080	3,621,635	(11,562,445)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	55,351,840	40,955,110	(14,396,730)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. TOTALS (Lines 26 and 27).....	55,351,840	40,955,110	(14,396,730)

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.....	15,405,315	3,705,898	(11,699,417)
2502. Amounts receivable under high deductible policies.....	(221,235)	(84,263)	136,972
2503.....	0	0	0
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).....	15,184,080	3,621,635	(11,562,445)

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Travelers Casualty and Surety Company of America (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.

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.

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).

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

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.

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

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.

3. BUSINESS COMBINATIONS AND GOODWILL

Not applicable.

4. DISCONTINUED OPERATIONS

Not applicable.

5. INVESTMENTS

A. Mortgage Loans:

Not applicable.

B. Debt Restructuring:

Not applicable.

C. Reverse Mortgages:

Not applicable.

NOTES TO FINANCIAL STATEMENTS**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.

In 2010, the Company had no new securities which changed from the retrospective to prospective valuation method.

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

	Amortized cost basis before other-than- <u>temporary impairment</u>	Other-than- temporary impairment recognized <u>in loss</u>	Amortized cost basis after other-than- temporary <u>impairment</u>	<u>Fair Value</u>
Aggregate Intent & Ability to Retain	\$21,008,441	\$4,030,753	\$15,406,458	\$12,844,916

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.

Cusip	Amortized cost basis before other-than- temporary impairment	Projected Cash Flow	Other-than- temporary impairment recognized in loss	Amortized cost basis after other- than- temporary impairment	Fair Value	Impairment Quarter
02660TBM4	\$ 7,354,067	\$ 7,280,828	\$ 73,239	\$ 7,280,828	\$ 4,854,763	Q3 - 2009
02150JAC6	13,126,996	9,676,641	3,450,355	9,676,641	7,416,673	Q3 - 2009
76110WPG5	248,330	241,876	6,454	241,876	122,523	Q3 - 2009
02660TBM4	7,154,622	6,934,169	220,453	6,934,169	4,955,916	Q4 - 2009
66987XCD5	279,048	267,817	11,231	267,817	208,638	Q4 - 2009
76110WPG5	238,639	237,078	1,561	237,078	124,063	Q4 - 2009
76110WPG5	225,140	185,784	39,356	185,784	121,268	Q1 - 2010
02150JAC6	8,954,878	8,753,338	201,540	8,753,338	7,560,781	Q2 - 2010
02660TBM4	6,226,083	6,199,519	26,564	6,199,519	4,954,228	Q3 - 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	\$ 4,750	\$ 125	\$ 21,996	\$ 1,062	\$ 26,746	\$ 1,187
Structured securities	76,088	76	17,362,300	1,411,784	17,438,388	1,411,860

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	\$11,844,000	\$11,844,000

F. Real Estate:

Not applicable.

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 2021.

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.

NOTES TO FINANCIAL STATEMENTS**6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES**

Not applicable.

7. INVESTMENT INCOME

A. Surplus excludes due and accrued investment income if amounts are over 90 days past due.

B. At December 31, 2010, the Company had no past due accrued investment income.

8. DERIVATIVE INSTRUMENTS

Not applicable.

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	\$ 95,513,412	\$ 3,850,566	\$ 99,363,978
b) Statutory valuation allowance adjustment	-	-	-
c) Adjusted gross deferred tax assets	<u>95,513,412</u>	<u>3,850,566</u>	<u>99,363,978</u>
d) Deferred tax liabilities (DTL)	<u>(227,219)</u>	<u>(12,446,251)</u>	<u>(12,673,470)</u>
e) Subtotal (net deferred tax assets)	95,285,193	(8,595,685)	86,690,508
f) Deferred tax assets nonadmitted	<u>(18,897,129)</u>	<u>-</u>	<u>(18,897,129)</u>
g) Net admitted deferred tax asset (liability)	<u>\$ 76,389,064</u>	<u>\$ (8,595,685)</u>	<u>\$ 67,793,379</u>

	<u>December 31, 2009</u>		
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a) Gross deferred tax assets	\$ 97,941,686	\$ 6,460,716	\$ 104,402,402
b) Statutory valuation allowance adjustment	-	-	-
c) Adjusted gross deferred tax assets	<u>97,941,686</u>	<u>6,460,716</u>	<u>104,402,402</u>
d) Deferred tax liabilities	<u>(180,106)</u>	<u>(11,616,430)</u>	<u>(11,796,536)</u>
e) Subtotal (net deferred tax assets)	97,761,580	(5,155,714)	92,605,866
f) Deferred tax assets nonadmitted	<u>(20,115,010)</u>	<u>(205,123)</u>	<u>(20,320,133)</u>
g) Net admitted deferred tax asset (liability)	<u>\$ 77,646,570</u>	<u>\$ (5,360,837)</u>	<u>\$ 72,285,733</u>

	<u>Change</u>		
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a) Gross deferred tax assets	\$ (2,428,274)	\$ (2,610,150)	\$ (5,038,424)
b) Statutory valuation allowance adjustment	-	-	-
c) Adjusted gross deferred tax assets	<u>(2,428,274)</u>	<u>(2,610,150)</u>	<u>(5,038,424)</u>
d) Deferred tax liabilities	<u>(47,113)</u>	<u>(829,821)</u>	<u>(876,934)</u>
e) Subtotal (net deferred tax assets)	(2,475,387)	(3,439,971)	(5,915,358)
f) Deferred tax assets nonadmitted	<u>1,217,881</u>	<u>205,123</u>	<u>1,423,004</u>
g) Net admitted deferred tax asset (liability)	<u>\$ (1,257,506)</u>	<u>\$ (3,234,848)</u>	<u>\$ (4,492,354)</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	\$ 76,389,064	\$ 46,152,552	\$ 30,236,512
Admitted DTA – Capital	<u>(8,595,685)</u>	<u>(8,595,685)</u>	-
Total Admitted DTA	<u>\$ 67,793,379</u>	<u>\$ 37,556,867</u>	<u>\$ 30,236,512</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:

Admission Calculation Components SSAP No. 10R, paragraphs 10.a., 10.b., and 10.c.:	<u>December 31, 2010</u>		
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a) Paragraph 10.a.	\$ 37,556,867	\$ -	37,556,867
b) Paragraph 10.b. (the lesser of paragraph 10.b.i. and 10.b.ii. below)	-	-	-
c) Paragraph 10.b.i.	-	-	-
d) Paragraph 10.b.ii.	xxxx	xxxx	204,182,511
e) Paragraph 10.c.	<u>8,822,904</u>	<u>3,850,566</u>	<u>12,673,470</u>
f) Total (a+b+e)	46,379,771	3,850,566	50,230,337
DTL netted against DTA	<u>(227,219)</u>	<u>(12,446,251)</u>	<u>(12,673,470)</u>
Total	<u>\$ 46,152,552</u>	<u>\$ (8,595,685)</u>	<u>\$ 37,556,867</u>

NOTES TO FINANCIAL STATEMENTSAdmission Calculation Components
SSAP No. 10R, paragraph 10.e.:

g) Paragraph 10.e.i.	\$ 56,600,033	\$ -	\$ 56,600,033
h) Paragraph 10.e.ii. (the lesser of paragraph 10.e.ii.a and 10.e.ii.b. below)	11,193,346	-	11,193,346
i) Paragraph 10.e.ii.a.	11,193,346	-	11,193,346
j) Paragraph 10.e.ii.b.	xxxx	xxxx	306,273,767
k) Paragraph 10.e.iii.	8,822,904	3,850,566	12,673,470
l) Total (g+h+k)	76,616,283	3,850,566	80,466,849
DTL netted against DTA	(227,219)	(12,446,251)	(12,673,470)
Total	<u>\$ 76,389,064</u>	<u>\$ (8,595,685)</u>	<u>\$ 67,793,379</u>

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

December 31, 2009

	Ordinary	Capital	Total
a) Paragraph 10.a.	\$ 39,582,826	\$ -	\$ 39,582,826
b) Paragraph 10.b. (the lesser of paragraph 10.b.i. and 10.b.ii. below)	-	-	-
c) Paragraph 10.b.i.	-	-	-
d) Paragraph 10.b.ii.	xxxx	xxxx	216,980,351
e) Paragraph 10.c.	5,693,129	6,460,716	12,153,845
f) Total (a+b+e)	45,275,955	6,460,716	51,736,671
DTL netted against DTA	(180,106)	(11,821,553)	(12,001,659)
Total	<u>\$ 45,095,849</u>	<u>\$ (5,360,837)</u>	<u>\$ 39,735,012</u>

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

g) Paragraph 10.e.i.	\$ 61,063,799	\$ -	\$ 61,063,799
h) Paragraph 10.e.ii. (the lesser of paragraph 10.e.ii.a. and 10.e.ii.b. below)	11,069,748	-	11,069,748
i) Paragraph 10.e.ii.a.	11,069,748	-	11,069,748
j) Paragraph 10.e.ii.b.	xxxx	xxxx	325,470,527
k) Paragraph 10.e.iii.	5,693,129	6,460,716	12,153,845
l) Total (g+h+k)	77,826,676	6,460,716	84,287,392
DTL netted against DTA	(180,106)	(11,821,553)	(12,001,659)
Total	<u>\$ 77,646,570</u>	<u>\$ (5,360,837)</u>	<u>\$ 72,285,733</u>

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

Change

	Ordinary	Capital	Total
a) Paragraph 10.a.	\$ (2,025,959)	\$ -	\$ (2,025,959)
b) Paragraph 10.b. (the lesser of paragraph 10.b.i. and 10.b.ii. below)	-	-	-
c) Paragraph 10.b.i.	-	-	-
d) Paragraph 10.b.ii.	xxxx	xxxx	(12,797,840)
e) Paragraph 10.c.	3,129,775	(2,610,150)	519,625
f) Total (a+b+e)	1,103,816	(2,610,150)	(1,506,334)
DTL netted against DTA	(47,113)	(624,698)	(671,811)
Total	<u>\$ 1,056,703</u>	<u>\$ (3,234,848)</u>	<u>\$ (2,178,145)</u>

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

g) Paragraph 10.e.i.	\$ (4,463,766)	\$ -	\$ (4,463,766)
h) Paragraph 10.e.ii. (the lesser of paragraph 10.e.ii.a. and 10.e.ii.b. below)	123,598	-	123,598
i) Paragraph 10.e.ii.a.	123,598	-	123,598
j) Paragraph 10.e.ii.b.	xxxx	xxxx	(19,196,759)
k) Paragraph 10.e.iii.	3,129,775	(2,610,150)	519,625
l) Total (g+h+k)	(1,210,393)	(2,610,150)	(3,820,543)
DTL netted against DTA	(47,113)	(624,698)	(671,811)
Total	<u>\$ (1,257,506)</u>	<u>\$ (3,234,848)</u>	<u>\$ (4,492,354)</u>

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

	December 31, 2010	December 31, 2009	Change
Total adjusted capital	\$ 1,771,988,000	\$ 1,804,297,940	\$ (32,309,940)
Authorized control level risk-based capital	146,951,873	144,870,906	2,080,967

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

December 31, 2010

	Ordinary	Capital	Total
a) Admitted DTA	\$ 46,152,552	\$ (8,595,685)	\$ 37,556,867
b) Admitted assets	xxxx	xxxx	4,238,258,523
c) Adjusted statutory surplus (surplus used for limitation)	xxxx	xxxx	2,041,825,114
d) Total adjusted capital from DTA	xxxx	xxxx	30,236,512

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

e) Admitted DTA	30,236,512	-	30,236,512
f) Admitted assets	30,236,512	-	30,236,512
g) Statutory surplus	30,236,512	-	30,236,512

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

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

	Ordinary	Capital	Total
a) Admitted DTA	\$ 45,095,849	\$ (5,360,837)	\$ 39,735,012
b) Admitted assets	xxxx	xxxx	4,334,263,549
c) Adjusted statutory surplus (surplus used for limitation)	xxxx	xxxx	2,169,803,510
d) Total adjusted capital from DTA	xxxx	xxxx	32,550,721

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

e) Admitted DTA	32,550,721	-	32,550,721
f) Admitted assets	32,550,721	-	32,550,721
g) Statutory surplus	32,550,721	-	32,550,721

Change

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

	Ordinary	Capital	Total
a) Admitted DTA	\$ 1,056,703	\$ (3,234,848)	\$ (2,178,145)
b) Admitted assets	xxxx	xxxx	(96,005,026)
c) Adjusted statutory surplus (surplus used for limitation)	xxxx	xxxx	(127,978,396)
d) Total adjusted capital from DTA	xxxx	xxxx	(2,314,209)

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

e) Admitted DTA	(2,314,209)	-	(2,314,209)
f) Admitted assets	(2,314,209)	-	(2,314,209)
g) Statutory surplus	(2,314,209)	-	(2,314,209)

December 31, 2010

6. Impact of Tax Planning Strategies:

	Ordinary Percent	Capital Percent	Total
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:

	December 31, 2010	December 31, 2009	Change
1. Federal	\$ 141,154,218	\$ 173,955,352	\$ (32,801,134)
Foreign	-	(136,406)	136,406
Subtotal	141,154,218	173,818,946	(32,664,728)
Federal income taxes on net capital gains	(44,416)	605,590	(650,006)
Federal and foreign income taxes incurred	<u>\$ 141,109,802</u>	<u>\$ 174,424,536</u>	<u>\$ (33,314,734)</u>

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

	December 31, 2010	December 31, 2009	Change
DTA:			
<u>Ordinary:</u>			
Discounting of unpaid losses	\$ 26,653,642	\$ 28,959,726	\$ (2,306,084)
Unearned premium reserve	56,947,713	58,791,289	(1,843,576)
Receivables- nonadmitted	6,922,945	3,410,965	3,511,980
Other	4,989,112	6,779,706	(1,790,594)
Total DTA - ordinary	95,513,412	97,941,686	(2,428,274)
Statutory valuation allowance adjustment	-	-	-
Nonadmitted DTA	(18,897,129)	(20,115,010)	1,217,881
Admitted ordinary DTA	<u>\$ 76,616,283</u>	<u>\$ 77,826,676</u>	<u>\$ (1,210,393)</u>
 <u>Capital:</u>			
Investments	\$ 3,850,566	\$ 6,460,716	\$ (2,610,150)
Total DTA - capital	3,850,566	6,460,716	(2,610,150)
Statutory valuation allowance adjustment	-	-	-
Nonadmitted DTA	-	(205,123)	(205,123)
Admitted capital DTA	3,850,566	6,255,593	(2,405,027)
Total admitted DTA	<u>\$ 80,466,849</u>	<u>\$ 84,082,269</u>	<u>\$ (3,615,420)</u>
 DTL:			
<u>Ordinary:</u>			
Investments	\$ 67,789	\$ -	\$ 67,789
Receivables- nonadmitted	77,432	29,492	47,940
Guaranty fund assessments	55,866	70,835	(14,969)
Other	26,132	79,779	(53,647)
Total ordinary DTL	227,219	180,106	47,113
 <u>Capital:</u>			
Investments	\$ 12,446,251	\$ 11,616,430	\$ 829,821
Total capital DTL	12,446,251	11,616,430	829,821
Total DTL	<u>12,673,470</u>	<u>11,796,536</u>	<u>876,934</u>
Net admitted DTA/(DTL)	<u>\$ 67,793,379</u>	<u>\$ 72,285,733</u>	<u>\$ (4,492,354)</u>

NOTES TO FINANCIAL STATEMENTS

3. Deferred income taxes do not include any benefit from investment tax credits.
4. Deferred income taxes include a benefit of \$0 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.
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	\$ 99,363,978	\$ 104,402,402	\$ (5,038,424)
Total DTL	(12,673,470)	(11,796,536)	(876,934)
Net DTA/(DTL)	<u>\$ 86,690,508</u>	<u>\$ 92,605,866</u>	(5,915,358)
Tax effect of unrealized gains (losses)			460,017
Change in net deferred income tax			<u>\$ (5,455,341)</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)	\$ 526,202,031
Taxes at statutory rate	\$ 184,170,711
Increase (decrease) attributable to:	
Nontaxable investment income	(33,349,919)
Nonadmitted assets	(5,536,907)
Other	1,281,258
	<u>\$ 146,565,143</u>
Federal and foreign taxes incurred	\$ 141,109,802
Change in net deferred taxes	5,455,341
Total statutory income tax	<u>\$ 146,565,143</u>
Effective tax rate	27.9%

- E. 1. The Company has no operating loss or tax credit carryforwards available for tax purposes.
2. The Company has \$144,866,393 and \$171,194,582 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. Effective November 30, 2010, the Company acquired Travelers Brazil Holdings LLC. from its parent company, Travelers Casualty and Surety Company (TCS) at a cost of \$50,000.

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 The Travelers Indemnity Company (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 \$34,025,660 receivable from and \$60,758,201 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.

NOTES TO FINANCIAL STATEMENTS

- (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 intercompany reinsurance agreements as described in Note 23. 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	\$ -	\$ 243,170,239
Amounts recoverable from reinsurers	23,493,829	7,161,900
Reinsurance payable on paid losses and loss adjustment expenses	2,492,533	2,557,848
Ceded reinsurance premiums payable	8,676,077	-

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

- E. On November 3, 2010, an indirect subsidiary of the Company entered into a definitive agreement to commence a joint venture with J. Malucelli Participações em Seguros e Resseguros S.A, a Brazilian company (J. Malucelli), through the acquisition of approximately 43 percent of J. Malucelli's common stock. TRV unconditionally guaranteed to J. Malucelli the full and complete payment by the indirect subsidiary on or prior to the closing date. The maximum amount of TRV's contingent obligation is R\$63 million Brazilian Reais, which was equivalent to \$38 million in U.S. dollars at December 31, 2010. See Note 14 A
- 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 TCS, an insurance company domiciled in Connecticut. The Company is a member of TRV, the organization of which is shown in Schedule Y - Part 1.
- H. Not applicable.
- I. Not applicable.
- J. Not applicable.
- K. Not applicable.
- L. Not applicable.

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.

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 \$5,377,615 and \$3,056,930 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 \$724,429 and \$848,346 for 2010 and 2009, respectively.

NOTES TO FINANCIAL STATEMENTS

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 \$5,191,352 and \$5,319,432 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 10,000 shares of common capital stock authorized and 5,400 shares issued and outstanding with a par value of \$1,200 per share.

The Company paid ordinary dividends of \$403.3 million and \$511.7 million to its parent company, TCS in 2010 and 2009, respectively.

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 during 2011 without prior approval is \$385,092,000.

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 decreased by cumulative net unrealized losses of \$498,949.

14. CONTINGENCIES

A. Contingent Commitments:

In November 2010, the Company's indirect subsidiary entered into a definitive agreement to commence a joint venture with J. Malucelli Participações em Seguros e Resseguros S.A, a Brazilian company ("J. Malucelli"), through the acquisition of approximately 43% of J. Malucelli's common stock. J. Malucelli is currently the market leader in surety in Brazil based on market share. The purchase price for this acquisition will be R\$625 million Brazilian Reais (the U.S. dollar equivalent of which will depend on the exchange rate at closing) plus an amount based on a Brazilian inter-bank lending rate (CDI) from January 1, 2011 through the closing date of the transaction. At December 31, 2010, R\$625 million Brazilian Reais was equivalent to approximately \$377 million in U.S. dollars. In order to reduce its exposure to a significant strengthening of the Brazilian Reais prior to the closing of the transaction, TRV entered into a foreign currency option contract on February 7, 2011 in the notional amount of R\$625 million which expires on March 31, 2011. The joint venture transaction is subject to customary closing conditions and is expected to be finalized in the first half of 2011.

B. Assessments:

Not applicable.

C. Gain Contingencies:

Not applicable.

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits:

The Company paid \$50,000 in the reporting period on one claim 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:

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.

15. LEASES

Not applicable.

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

Not applicable.

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

A. Transfers of Receivables Reported as Sales:

Not applicable.

B. Transfer and Servicing of Financial Assets:

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

NOTES TO FINANCIAL STATEMENTS

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.

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:

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Bonds				
Industrial and Miscellaneous	\$ -	9,367,603	6,102	\$ 9,373,705
Total Assets at Fair Value	\$ -	9,367,603	6,102	\$ 9,373,705

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	\$ 24,410	-	-	-	(18,308)	-	\$ 6,102
Total	\$ 24,410	-	-	-	(18,308)	-	\$ 6,102

(3) Not applicable.

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

21. OTHER ITEMS

A. Extraordinary Items:

Not applicable.

B. Troubled Debt Restructuring:

Not applicable.

C. Other Disclosures:

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	<u>Accident Years</u>				
	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996 & Prior</u>
Part 1A	\$ -	\$ -	\$ -	\$ -	\$ -
Part 1B	-	-	-	-	-
Part 1C	-	-	-	-	-
Part 1D	-	-	-	-	-
Part 1E	-	-	-	-	-
Part 1F - Section 1	-	-	-	-	-
Part 1F - Section 2	-	-	-	-	-
Part 1G	-	-	-	-	-
Part 1H - Section 1	-	-	-	-	-
Part 1H - Section 2	1,009	(2)	1	-	(13)
Part 1M	-	-	-	-	-
Part 1N	-	-	-	-	-
Part 1O	-	-	-	-	-
Part 1P	-	-	-	-	-
Part 1R - Section 1	-	-	-	-	-
Part 1R - Section 2	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

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

<u>Accident Year</u>	<u>Fidelity/Surety</u>
2008 & Prior	\$3,290

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	\$16,092,887
b. Book adjusted carrying value	15,320,199
c. Fair value	14,103,770
d. Other-than-temporary impairments	4,030,753

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 had \$345,358,863 of unsecured aggregate recoverables for ceded losses, loss adjustment expenses and unearned premiums, that exceeded 3% of its surplus as regards policyholders, recoverable from Indemnity at December 31, 2010.

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.

B. Reinsurance Recoverable in Dispute:

The Company did not have any individual reinsurers with reinsurance recoverable on paid and unpaid (including IBNR) losses in dispute that exceeded 5% of the Company's policyholder surplus or disputed items, that when aggregated, exceed 10% of the Company's policyholder surplus.

NOTES TO FINANCIAL STATEMENTS

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	\$ 75,670,992	\$ 10,322,677	\$ 96,942,780	\$ 13,224,473	\$ (21,271,788)	\$ (2,901,796)
All Other	<u>3,014,740</u>	<u>411,257</u>	<u>48,339,272</u>	<u>6,594,214</u>	<u>(45,324,532)</u>	<u>(6,182,957)</u>
Total	<u>\$ 78,685,732</u>	<u>\$ 10,733,934</u>	<u>\$ 145,282,052</u>	<u>\$ 19,818,687</u>	<u>\$ (66,596,320)</u>	<u>\$ (9,084,753)</u>
Direct Unearned Premium Reserve			\$ 879,650,617			

2. Accruals for contingent, sliding scale adjustment and other profit sharing commissions, net of reinsurance assumed and ceded, amounted to \$5,973,253 at December 31, 2010:

Direct Business	\$ 7,271,425
Add: Reinsurance Assumed	418,995
Less: Reinsurance Ceded	<u>1,717,167</u>
Net	<u>\$ 5,973,253</u>

D. Uncollectible Reinsurance:

The Company has written off as uncollectible/(recovered) in the current year certain reinsurance balances due (from the companies listed below) in the amount of (\$481,236), which is reflected in losses incurred.

<u>Company – Uncollectible</u>	<u>Company – (Recovered)</u>
Executive Risk Indemnity Inc.	Munich Reinsurance America Inc.
All other under (\$5,000)	Westport Insurance Corporation
	Swiss Reinsurance America Corporation
	Small Business Administration

E. Commutation of Ceded Reinsurance:

Not applicable.

F. Retroactive Reinsurance:

	<u>Assumed</u>	<u>Ceded</u>
a. Reserves Transferred:		
(1) Initial Reserves	\$71,584,000	\$ -
(2) Adjustments - Prior Year(s)	(37,406,000)	-
(3) Adjustments - Current Year	-	-
(4) Current Total	<u>\$34,178,000</u>	<u>\$ -</u>
b. Consideration Paid or Received:		
(1) Initial Consideration	\$71,584,000	\$ -
(2) Adjustments - Prior Year(s)	10,879,000	-
(3) Adjustments - Current Year	-	-
(4) Current Total	<u>\$82,463,000</u>	<u>\$ -</u>
c. Paid Losses Reimbursed or Recovered:		
(1) Prior Year(s)	\$31,003,214	\$ -
(2) Current Year	(115,192)	-
(3) Current Total	<u>\$30,888,022</u>	<u>\$ -</u>
d. Special Surplus From Retroactive Reinsurance:		
(1) Initial Surplus Gain or Loss	\$ -	\$ -
(2) Adjustments - Prior Year(s)	48,285,000	-
(3) Adjustments - Current Year	-	-
(4) Current Year Restricted Surplus	<u>\$48,285,000</u>	<u>\$ -</u>
(5) Cumulative Total Transferred to Unassigned Funds	<u>\$ -</u>	<u>\$ -</u>
e. List the other insurers included in the above transactions:		
<u>Company</u>	<u>Assumed</u>	<u>Ceded</u>
Reliance Insurance Company (24457)	\$34,178,000	\$ -

f. Paid Loss/LAE Recoverable:

Not applicable.

G. Reinsurance Accounted for as a Deposit:

The Company entered into several ceded reinsurance arrangements which provided coverage for certain surety policies issued by the Company. Given the contract terms and results of the Company's cash flow analyses, it was determined that these contracts did not fulfill the SSAP No. 62 requirements for risk transfer so they have been 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	\$ -	\$ 14,633,943	\$ 202,357	\$ 14,836,300
2006	-	(8,712,725)	11,047	6,134,622
2007	-	(3,720,464)	76,948	2,491,106
2008	79,432	(1,504,985)	(65,889)	999,664
2009	98,129	(713,470)	(75,907)	308,416
2010	105,753	(362,023)	-	52,146

NOTES TO FINANCIAL STATEMENTS

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

Not applicable.

24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

Not applicable.

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 \$35,400,079, resulting primarily from improvements in the surety and other liability – claims made lines, partially offset by deterioration in adjusting and other expense reserves. The surety improvement is from the 2008 and prior accident years, resulting from better than expected development due to lower than expected claim activity and loss severity, primarily in the contract surety business. The improvement in the other liability – claims made line is in the 2006-2008 accident years, attributable to lower than expected claim activity for the professional liability coverages, primarily directors & officers (D&O). The increase in adjusting and other expense reserves resulted from the allocation of adjusting and other expense reserves by year as disclosed in the Schedule P Interrogatories of the Company. There are no material additional premiums or return premiums as a result of this prior year effect.

26. INTERCOMPANY POOLING ARRANGEMENTS

Not applicable.

27. STRUCTURED SETTLEMENTS

Not applicable.

28. HEALTH CARE RECEIVABLES

Not applicable.

29. PARTICIPATING POLICIES

Not applicable.

30. PREMIUM DEFICIENCY RESERVES

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

Not applicable.

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

Not applicable.

33. ASBESTOS/ENVIRONMENTAL RESERVES

The Company has minimal potential exposure to asbestos and environmental claims on a direct basis, primarily arising from the sale of general liability insurance. There is no net exposure for the Company since 100% of this business is ceded to participants in the Travelers Reinsurance Pool.

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.	06-1345091	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 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 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 No
- 2.2 If yes, date of change: _____

- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2009
- 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. 12/31/2004
- 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). 01/27/2006

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

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

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

1 Name of Entity	2 NAIC 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
- 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

- 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
- 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

- 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 [] No [X]
- 12.11 Name of real estate holding company

- 12.12 Number of parcels involved0
- 12.13 Total book/adjusted carrying value \$.....0
- 12.2 If yes, provide explanation.

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

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

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

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

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 [X] No []
- 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. \$.....11,844,000
- 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 \$.....0
- 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 \$.....7,754,486
- 24.29 Other \$.....0

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 [] No [X]
- 25.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
 If no, attach a description with this statement.

- 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 [X] No []

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

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)
N/A		

- 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		

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.....	3,877,701,545	4,061,122,351	183,420,806
29.2 Preferred stocks.....	0		0
29.3 Totals.....	3,877,701,545	4,061,122,351	183,420,806

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

Fair values of bonds 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? \$.....483,853

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
THE SURETY & FIDELITY ASSOCIATION OF AMERICA	306,792

33.1 Amount of payments for legal expenses, if any? \$.....3,647,087

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
SKADDEN ARPS SLATE MEAGHER	2,168,027
BARBOSA MUSSNICH & ARAGAO	1,001,217

34.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....7,512

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
THE SURETY & FIDELITY ASSOCIATION OF AMERICA	6,163

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 lives
 - All years prior to most current three years:
 - 1.64 Total premium earned \$.....0
 - 1.65 Total incurred claims \$.....0
 - 1.66 Number of covered lives
- 1.7 Group policies:
 - Most current three years:
 - 1.71 Total premium earned \$.....0
 - 1.72 Total incurred claims \$.....0
 - 1.73 Number of covered lives
 - All years prior to most current three years:
 - 1.74 Total premium earned \$.....0
 - 1.75 Total incurred claims \$.....0
 - 1.76 Number of covered lives

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator.....	\$.....0	\$.....0
2.2 Premium Denominator.....	\$.....1,271,764,273	\$.....1,272,725,748
2.3 Premium Ratio (2.1/2.2).....	.....0.0	.....0.0
2.4 Reserve Numerator.....	\$.....0	\$.....0
2.5 Reserve Denominator.....	\$.....2,213,297,386	\$.....2,129,468,849
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 \$.....31,526,659
 - 3.22 Non-participating policies \$.....1,213,335,940

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?
 - The Company has no workers compensation loss exposures.

- 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 has no property loss exposures.

- 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 has no property loss exposures.

- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [] No [X]

- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss:
 - The Company has no property loss exposures.

- 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.7

- 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 []

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes [] No [X]
- 8.2 If yes, give full information:
-
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
- (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
 - (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
 - (c) Aggregate stop loss reinsurance coverage;
 - (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
 - (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
 - (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity?
- Yes [] No [X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under 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 [] No [X]
- 11.2 If yes, give full information:
-
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for:
- 12.11 Unpaid losses \$.....0
 - 12.12 Unpaid underwriting expenses (including loss adjustment expenses) \$.....0
- 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: \$.....0
- 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 [] No [X]
- 12.6 If yes, state the amount thereof at December 31 of current year:
- 12.61 Letters of credit \$.....0
 - 12.62 Collateral and other funds \$.....0
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$.....183,685,000
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [] No [X]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.1

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes No
 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
Per the Company's Reinsurance Allocation 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
 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes No
 14.5 If the answer to 14.4 is no, please explain:

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

16.1 Does the reporting entity write any warranty business? Yes No
 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
 Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F-Part 5.

Provide the following information for this exemption:

17.11 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5 \$.....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
 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
 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).....	496,445,706	464,977,635	344,879,300	360,665,143	357,196,219
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	34,101,820	32,549,726	31,588,351	28,831,058	25,833,077
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	0	0	0	0	0
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	991,586,204	1,032,603,189	1,099,191,859	1,110,049,616	1,000,638,280
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	0	0	0	0	0
6. Total (Line 35).....	1,522,133,731	1,530,130,550	1,475,659,510	1,499,545,817	1,383,667,576
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).....	319,189,640	322,166,110	327,372,584	341,792,172	317,442,488
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	25,512,449	24,674,504	20,111,852	28,714,553	25,012,089
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	0	0	0	0	0
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	900,160,511	915,898,302	991,055,418	981,154,875	850,982,162
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	0	0	0	0	0
12. Total (Line 35).....	1,244,862,600	1,262,738,917	1,338,539,854	1,351,661,599	1,193,436,739
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	346,769,675	388,903,430	577,937,232	439,464,259	270,761,244
14. Net investment gain (loss) (Line 11).....	184,638,500	167,960,551	155,512,538	146,271,122	125,881,984
15. Total other income (Line 15).....	123,281	27,534,820	33,933,377	15,045,607	1,187,419
16. Dividends to policyholders (Line 17).....	5,285,009	7,275,422	8,748,501	8,747,149	10,646,776
17. Federal and foreign income taxes incurred (Line 19).....	141,154,218	173,818,946	239,004,228	186,931,430	122,913,596
18. Net income (Line 20).....	385,092,229	403,304,433	519,630,418	405,102,408	264,270,275
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	4,238,258,523	4,334,263,549	4,255,478,755	3,555,971,086	3,291,414,536
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	71,704,415	317,348,494	197,049,089	82,718,207	68,056,272
20.2 Deferred and not yet due (Line 15.2).....	107,324,287	109,422,760	106,546,672	115,939,395	98,101,026
20.3 Accrued retrospective premiums (Line 15.3).....	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	2,436,034,011	2,497,414,887	2,381,770,551	2,265,324,801	2,163,513,785
22. Losses (Page 3, Line 1).....	920,220,402	898,279,087	829,833,969	907,184,263	872,911,753
23. Loss adjustment expenses (Page 3, Line 3).....	477,495,945	391,664,338	277,210,510	153,320,025	128,785,154
24. Unearned premiums (Page 3, Line 9).....	813,054,297	839,517,654	846,899,105	830,096,152	724,600,436
25. Capital paid up (Page 3, Lines 30 & 31).....	6,480,000	6,480,000	11,000,000	6,000,000	6,000,000
26. Surplus as regards policyholders (Page 3, Line 37).....	1,802,224,512	1,836,848,661	1,873,708,202	1,290,646,286	1,127,900,751
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	677,524,357	634,232,713	614,967,587	483,162,059	518,101,946
Risk-Based Capital Analysis					
28. Total adjusted capital.....	1,802,224,512	1,836,848,661	1,873,708,202	1,290,646,286	1,127,900,751
29. Authorized control level risk-based capital.....	146,996,342	144,964,277	111,624,264	104,290,077	101,472,042
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).....	98.6	97.6	95.5	97.3	95.8
31. Stocks (Lines 2.1 & 2.2).....	0.0	0.0	0.2	0.4	0.5
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3).....	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5).....	1.1	2.4	4.3	2.3	3.8
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).....	0.0	0.0	0.0	0.0	0.0
38. Receivable for securities (Line 9).....	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10).....	0.3	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).....	0	0	0	0	0
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.....	38,500	0	0	0	0
48. Total of above lines 42 to 47.....	38,500	0	0	0	0
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).....	0.0	0.0	0.0	0.0	0.0

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

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).....	842,817	19,027,068	(17,100,528)	(1,195,434)	(325,965)
51. Dividends to stockholders (Line 35).....	(403,300,000)	(511,700,000)	(50,000,000)	(240,000,000)	0
52. Change in surplus as regards policyholders for the year (Line 38).....	(34,624,149)	(36,859,542)	583,061,917	162,745,535	271,027,747
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).....	197,503,680	142,021,196	142,999,996	142,361,375	133,565,995
54. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	1,436,030	1,813,397	1,962,677	1,134,997	(302,831)
55. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	380,149	422,599	1,286,365	798,666	202,887
56. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	146,053,090	100,153,579	70,743,660	103,494,802	80,507,005
57. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	3,803,405	274,325	1,533,931	0	0
58. Total (Line 35).....	349,176,354	244,685,095	218,526,629	247,789,841	213,973,056
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).....	151,877,648	121,808,507	103,963,798	114,036,144	85,626,305
60. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	1,273,879	911,262	1,892,073	1,125,831	(302,799)
61. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	0	0	0	0	0
62. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	133,913,249	38,686,333	66,274,937	99,927,346	77,931,869
63. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	0	551,448	153,393	0	0
64. Total (Line 35).....	287,064,777	161,957,549	172,284,201	215,089,320	163,255,374
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).....	24.3	18.1	6.5	19.9	29.1
67. Loss expenses incurred (Line 3).....	11.0	12.4	12.5	5.6	5.7
68. Other underwriting expenses incurred (Line 4).....	37.4	39.0	37.4	39.5	40.8
69. Net underwriting gain (loss) (Line 8).....	27.3	30.6	43.7	35.0	24.4
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).....	38.2	37.1	39.4	35.6	37.8
71. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	35.3	30.5	18.9	25.5	34.8
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).....	69.1	68.7	94.2	104.7	105.8
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).....	(57,305)	(115,827)	(223,401)	(109,200)	(64,850)
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).....	(3.1)	(6.2)	(1.6)	(9.7)	(7.6)
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).....	(200,005)	(413,431)	(367,923)	(141,185)	(112,536)
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).....	(10.7)	(32.0)	(2.6)	(16.5)	(12.9)

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.....	.....4,483	.....2,829	.....1,519	.....1,198	.....767	.....148	.....1,847	.....2,593	.....XXX.....
2. 2001.....	.....679,077	.....85,380	.....593,697	.....527,605	.....227,152	.....48,146	.....10,894	.....14,211	.....624	.....56,364	.....351,292	.....XXX.....
3. 2002.....	.....765,200	.....120,193	.....645,006	.....263,040	.....73,047	.....22,524	.....789	.....17,891	.....370	.....39,168	.....229,247	.....XXX.....
4. 2003.....	.....934,251	.....156,404	.....777,847	.....247,013	.....97,552	.....26,875	.....5,296	.....18,084	.....515	.....26,038	.....188,609	.....XXX.....
5. 2004.....	.....1,017,831	.....153,387	.....864,444	.....278,601	.....30,826	.....41,804	.....5,447	.....22,743	.....435	.....35,364	.....306,440	.....XXX.....
6. 2005.....	.....1,144,820	.....208,195	.....936,625	.....177,129	.....14,861	.....13,020	.....1,015	.....22,898	.....598	.....14,722	.....196,574	.....XXX.....
7. 2006.....	.....1,311,246	.....176,899	.....1,134,347	.....210,695	.....19,342	.....10,777	.....345	.....24,921	.....1,149	.....11,983	.....225,557	.....XXX.....
8. 2007.....	.....1,424,370	.....152,966	.....1,271,405	.....232,846	.....21,468	.....14,582	.....1,071	.....26,473	.....2,726	.....12,578	.....248,638	.....XXX.....
9. 2008.....	.....1,453,276	.....123,271	.....1,330,005	.....175,884	.....751	.....10,190	.....3	.....29,691	.....7,265	.....3,801	.....207,746	.....XXX.....
10. 2009.....	.....1,477,479	.....204,754	.....1,272,726	.....246,957	.....20,749	.....15,572	.....2,842	.....34,979	.....12,752	.....3,082	.....261,164	.....XXX.....
11. 2010.....	.....1,529,145	.....257,380	.....1,271,764	.....48,376	.....5,940	.....2,874	.....1,156	.....20,067	.....7,853	.....496	.....56,368	.....XXX.....
12. Totals.....	.....XXX.....	.....XXX.....	.....XXX.....	.....2,412,627	.....514,517	.....207,882	.....30,056	.....232,726	.....34,435	.....205,442	.....2,274,228	.....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.....	.....30,335	.....17,576	.....26,802	.....15,187	.....3,832	.....1,235	.....3,889	.....3,939	.....4,485	.....1,840	.....1,103	.....29,566	.....XXX.....
2. 2001.....	.....11,616	.....3,620	.....21,294	.....13,133	.....499	.....204	.....2,617	.....1,156	.....606	.....37	.....369	.....18,482	.....XXX.....
3. 2002.....	.....19,082	.....14,914	.....14,062	.....8,038	.....1,130	.....597	.....3,362	.....2,238	.....900	.....38	.....606	.....12,710	.....XXX.....
4. 2003.....	.....5,837	.....2,791	.....5,891	.....2,508	.....1,168	.....476	.....3,926	.....1,513	.....1,096	.....40	.....1,100	.....10,590	.....XXX.....
5. 2004.....	.....8,326	.....4,100	.....28,164	.....7,468	.....1,145	.....756	.....1,967	.....1,699	.....1,710	.....44	.....1,221	.....27,246	.....XXX.....
6. 2005.....	.....16,710	.....6,855	.....22,913	.....3,248	.....992	.....278	.....12,692	.....1,089	.....2,221	.....50	.....2,424	.....44,008	.....XXX.....
7. 2006.....	.....22,666	.....10,060	.....59,024	.....10,425	.....1,653	.....243	.....21,513	.....4,366	.....2,508	.....59	.....3,721	.....82,212	.....XXX.....
8. 2007.....	.....40,562	.....5,958	.....128,962	.....16,313	.....3,679	.....815	.....29,746	.....7,657	.....4,972	.....86	.....4,004	.....177,092	.....XXX.....
9. 2008.....	.....48,251	.....3,451	.....180,071	.....38,993	.....4,059	.....62	.....109,615	.....6,262	.....6,689	.....131	.....9,391	.....299,787	.....XXX.....
10. 2009.....	.....107,496	.....17,154	.....84,314	.....32,364	.....8,819	.....1,578	.....121,646	.....19,174	.....15,867	.....310	.....9,485	.....267,562	.....XXX.....
11. 2010.....	.....78,756	.....18,336	.....283,183	.....71,606	.....6,273	.....3,528	.....172,210	.....33,689	.....15,769	.....571	.....10,576	.....428,461	.....XXX.....
12. Totals.....	.....389,637	.....104,814	.....854,681	.....219,283	.....33,250	.....9,772	.....483,182	.....82,782	.....56,824	.....3,206	.....44,000	.....1,397,716	.....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.....	.....24,374	.....5,192
2. 2001.	.....626,595	.....256,820	.....369,774	.....92.3	.....300.8	.....62.3	.....0	.....0	.....0.00	.....16,157	.....2,325
3. 2002.	.....341,990	.....100,033	.....241,958	.....44.7	.....83.2	.....37.5	.....0	.....0	.....0.00	.....10,192	.....2,519
4. 2003.	.....309,890	.....110,691	.....199,199	.....33.2	.....70.8	.....25.6	.....0	.....0	.....0.00	.....6,429	.....4,160
5. 2004.	.....384,461	.....50,775	.....333,686	.....37.8	.....33.1	.....38.6	.....0	.....0	.....0.00	.....24,923	.....2,323
6. 2005.	.....268,575	.....27,993	.....240,582	.....23.5	.....13.4	.....25.7	.....0	.....0	.....0.00	.....29,520	.....14,489
7. 2006.	.....353,756	.....45,988	.....307,769	.....27.0	.....26.0	.....27.1	.....0	.....0	.....0.00	.....61,205	.....21,007
8. 2007.	.....481,823	.....56,094	.....425,730	.....33.8	.....36.7	.....33.5	.....0	.....0	.....0.00	.....147,252	.....29,840
9. 2008.	.....564,449	.....56,917	.....507,532	.....38.8	.....46.2	.....38.2	.....0	.....0	.....0.00	.....185,878	.....113,908
10. 2009.	.....635,650	.....106,924	.....528,726	.....43.0	.....52.2	.....41.5	.....0	.....0	.....0.00	.....142,292	.....125,270
11. 2010.	.....627,508	.....142,680	.....484,829	.....41.0	.....55.4	.....38.1	.....0	.....0	.....0.00	.....271,997	.....156,464
12. Totals	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....0	.....0	.....XXX.....	.....920,220	.....477,496

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.....	239,872	254,767	224,841	258,515	154,958	162,134	128,714	121,857	101,654	103,349	1,695	(18,507)
2. 2001.....	290,048	293,767	332,118	375,856	398,022	384,556	387,625	357,310	360,302	355,618	(4,685)	(1,692)
3. 2002.....	XXX	229,640	225,187	268,725	289,497	270,620	266,842	246,379	223,500	223,575	75	(22,804)
4. 2003.....	XXX	XXX	272,716	262,702	232,578	244,699	233,004	199,936	183,511	180,573	(2,937)	(19,363)
5. 2004.....	XXX	XXX	XXX	354,642	355,500	395,705	405,975	354,106	315,226	309,712	(5,515)	(44,395)
6. 2005.....	XXX	XXX	XXX	XXX	392,309	343,329	307,576	240,981	218,643	216,112	(2,532)	(24,870)
7. 2006.....	XXX	XXX	XXX	XXX	XXX	425,029	398,288	329,862	295,262	281,547	(13,715)	(48,315)
8. 2007.....	XXX	XXX	XXX	XXX	XXX	XXX	411,358	451,606	427,851	397,096	(30,756)	(54,510)
9. 2008.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	444,099	504,359	478,548	(25,811)	34,449
10. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	464,069	490,942	26,873	XXX
11. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	457,416	XXX	XXX
12. Totals.....											(57,305)	(200,005)

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	78,751	88,178	120,110	67,558	71,966	76,676	75,506	74,454	76,429	XXX	XXX
2. 2001.....	75,420	154,413	263,607	282,163	325,202	335,959	341,182	337,352	335,593	337,705	XXX	XXX
3. 2002.....	XXX	71,461	120,334	165,510	206,695	215,476	215,777	214,701	214,119	211,727	XXX	XXX
4. 2003.....	XXX	XXX	49,070	138,139	154,045	167,557	181,996	175,338	169,564	171,040	XXX	XXX
5. 2004.....	XXX	XXX	XXX	72,530	182,553	240,854	272,314	281,014	281,182	284,132	XXX	XXX
6. 2005.....	XXX	XXX	XXX	XXX	30,756	109,555	146,839	165,335	169,739	174,274	XXX	XXX
7. 2006.....	XXX	XXX	XXX	XXX	XXX	41,665	138,579	177,402	191,302	201,785	XXX	XXX
8. 2007.....	XXX	XXX	XXX	XXX	XXX	XXX	52,657	146,244	194,770	224,890	XXX	XXX
9. 2008.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	38,306	136,483	185,319	XXX	XXX
10. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	74,026	238,937	XXX	XXX
11. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	44,153	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.....	92,263	90,307	62,916	42,344	19,204	36,612	26,027	26,420	5,636	11,565
2. 2001.....	136,248	32,920	52,549	50,479	38,411	22,449	25,024	(590)	4,662	9,622
3. 2002.....	XXX	115,009	69,121	77,127	42,816	36,777	23,480	17,414	4,173	7,148
4. 2003.....	XXX	XXX	180,149	84,044	40,170	54,922	44,860	17,610	14,882	5,796
5. 2004.....	XXX	XXX	XXX	221,060	106,566	100,429	91,867	58,645	26,119	20,964
6. 2005.....	XXX	XXX	XXX	XXX	314,200	190,421	130,724	59,126	37,058	31,269
7. 2006.....	XXX	XXX	XXX	XXX	XXX	319,628	210,075	124,381	80,859	65,746
8. 2007.....	XXX	XXX	XXX	XXX	XXX	XXX	271,269	216,501	168,083	134,738
9. 2008.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	327,447	293,147	244,431
10. 2009.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	272,324	154,422
11. 2010.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	350,097

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA 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.....	17,096,328	17,696,964	0	11,498,659	2,741,028	17,435,189	23,064	0	
2. Alaska.....AK.....L.....	5,577,874	5,769,139	0	(117,835)	146,578	4,069,014	1,031	0	
3. Arizona.....AZ.....L.....	23,542,717	25,464,138	0	3,369,856	4,591,654	20,083,557	23,838	0	
4. Arkansas.....AR.....L.....	13,035,384	12,788,153	0	2,692,726	7,914,104	12,639,428	14,295	0	
5. California.....CA.....L.....	143,769,368	141,549,974	0	40,440,947	38,258,244	154,139,049	218,111	0	
6. Colorado.....CO.....L.....	39,630,419	33,343,825	0	2,947,583	9,311,869	24,833,586	66,921	0	
7. Connecticut.....CT.....L.....	27,804,737	29,248,733	0	2,213,723	(182,719)	23,212,050	74,324	0	
8. Delaware.....DE.....L.....	4,831,516	5,765,749	0	463,205	773,257	3,236,703	4,814	0	
9. District of Columbia.....DC.....L.....	17,684,008	18,758,447	0	3,377,629	838,864	17,219,391	13,161	0	
10. Florida.....FL.....L.....	81,142,129	84,377,297	0	24,942,742	17,300,623	85,355,991	23,038	0	
11. Georgia.....GA.....L.....	40,785,515	44,805,943	0	6,634,286	5,016,763	35,184,321	67,340	0	
12. Hawaii.....HI.....L.....	11,408,288	11,903,549	0	1,255,123	640,744	8,725,931	1,051	0	
13. Idaho.....ID.....L.....	4,868,180	5,361,207	0	4,027,615	(231,789)	4,436,985	9,881	0	
14. Illinois.....IL.....L.....	63,733,397	60,696,387	0	7,406,169	7,590,813	51,145,966	66,920	0	
15. Indiana.....IN.....L.....	22,403,311	20,355,493	0	1,944,371	1,593,372	12,489,817	15,204	0	
16. Iowa.....IA.....L.....	12,573,554	10,901,456	0	1,660,929	1,166,400	6,595,960	9,245	0	
17. Kansas.....KS.....L.....	10,029,702	10,341,087	0	153,780	(120,735)	7,031,682	9,501	0	
18. Kentucky.....KY.....L.....	19,138,258	19,626,264	0	2,277,144	474,222	12,781,431	17,159	0	
19. Louisiana.....LA.....L.....	34,018,304	34,682,002	0	9,748,176	2,240,589	25,532,218	27,604	0	
20. Maine.....ME.....L.....	7,109,355	7,100,382	0	4,965,320	4,707,070	3,382,564	10,527	0	
21. Maryland.....MD.....L.....	33,986,352	36,135,841	0	4,448,955	2,697,088	26,783,266	37,235	0	
22. Massachusetts.....MA.....L.....	40,067,007	40,230,710	0	6,036,679	8,724,487	39,597,531	97,436	0	
23. Michigan.....MI.....L.....	24,130,410	23,613,055	0	7,211,160	4,094,153	16,225,367	28,925	0	
24. Minnesota.....MN.....L.....	22,701,222	20,568,541	0	5,644,084	3,703,859	14,605,928	17,762	0	
25. Mississippi.....MS.....L.....	16,727,350	18,428,955	0	575,068	322,802	12,851,320	16,738	0	
26. Missouri.....MO.....L.....	29,126,470	29,747,674	0	57,948,643	59,899,559	21,037,400	34,526	0	
27. Montana.....MT.....L.....	11,830,826	11,467,353	0	605,970	1,593,189	6,398,381	25,503	0	
28. Nebraska.....NE.....L.....	7,156,589	7,482,307	0	515,648	198,915	5,266,195	6,377	0	
29. Nevada.....NV.....L.....	11,262,093	13,462,284	0	2,380,353	3,794,520	11,181,418	14,081	0	
30. New Hampshire.....NH.....L.....	6,844,319	6,216,679	0	765,948	968,159	3,697,136	13,918	0	
31. New Jersey.....NJ.....L.....	38,253,787	35,569,852	0	10,372,230	5,597,440	25,373,456	68,349	0	
32. New Mexico.....NM.....L.....	6,292,315	6,052,951	0	430,774	754,459	4,523,103	7,460	0	
33. New York.....NY.....L.....	94,892,285	107,558,691	0	34,931,807	14,074,931	79,524,910	172,145	0	
34. North Carolina.....NC.....L.....	45,660,540	44,016,355	0	5,962,860	4,489,177	30,032,681	66,087	0	
35. North Dakota.....ND.....L.....	4,343,628	4,246,569	0	19,627	247,394	1,732,775	2,270	0	
36. Ohio.....OH.....L.....	43,648,657	36,226,211	0	10,879,356	5,791,293	26,937,782	35,813	0	
37. Oklahoma.....OK.....L.....	11,568,546	13,577,302	0	897,658	646,575	7,107,174	872	0	
38. Oregon.....OR.....L.....	21,335,643	20,744,918	0	2,172,730	2,723,634	12,170,540	33,002	0	
39. Pennsylvania.....PA.....L.....	63,360,920	60,550,636	0	9,559,554	5,158,357	39,452,948	72,207	0	
40. Rhode Island.....RI.....L.....	4,572,086	5,411,447	0	192,031	(1,368,780)	3,463,519	10,080	0	
41. South Carolina.....SC.....L.....	18,894,776	20,058,099	0	3,239,444	3,547,384	16,385,396	28,340	0	
42. South Dakota.....SD.....L.....	4,961,448	3,902,173	0	183,571	866,901	2,708,003	3,985	0	
43. Tennessee.....TN.....L.....	27,266,279	25,377,922	0	2,824,246	2,146,661	18,285,370	34,645	0	
44. Texas.....TX.....L.....	84,992,410	90,020,524	6,636,092	19,023,366	14,257,428	77,307,272	113,667	0	
45. Utah.....UT.....L.....	18,235,411	17,346,349	0	1,828,936	2,769,892	9,704,358	37,081	0	
46. Vermont.....VT.....L.....	1,421,251	1,448,008	0	110,385	(24,212)	675,145	2,714	0	
47. Virginia.....VA.....L.....	45,055,014	48,519,092	0	3,562,419	592,310	32,712,457	73,674	0	
48. Washington.....WA.....L.....	45,859,891	46,311,389	0	7,607,112	4,858,996	41,115,125	110,324	0	
49. West Virginia.....WV.....L.....	12,386,264	12,539,321	0	1,717,088	3,535,750	9,508,356	6,748	0	
50. Wisconsin.....WI.....L.....	16,715,550	16,864,724	0	5,338,051	5,449,407	14,481,260	7,235	0	
51. Wyoming.....WY.....L.....	6,174,890	6,999,203	0	63,738	442,800	4,668,706	6,138	0	
52. American Samoa.....AS.....N.....	0	0	0	0	0	0	0	0	
53. Guam.....GU.....L.....	91,695	(87,409)	0	0	0	0	0	0	
54. Puerto Rico.....PR.....L.....	1,404,332	663,965	0	(1,490,746)	(2,642,772)	85,837	11	0	
55. US Virgin Islands.....VI.....N.....	0	0	0	0	0	0	0	0	
56. Northern Mariana Islands.....MP.....N.....	0	0	0	0	0	0	0	0	
57. Canada.....CN.....N.....	0	0	0	0	0	0	0	0	
58. Aggregate Other Alien.....OT.....XXX.....	3,607,838	1,826,322	0	(1,071,223)	(1,483,799)	12,603,235	0	0	
59. Totals.....(a).....53.....	1,425,010,438	1,433,634,204	6,636,092	336,389,665	263,198,909	1,157,734,182	1,882,378	0	

DETAILS OF WRITE-INS

5801. Other Alien Combined.....XXX.....	3,607,838	1,826,322	0	(1,071,223)	(1,483,799)	12,603,235	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.....	3,607,838	1,826,322	0	(1,071,223)	(1,483,799)	12,603,235	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.

Location of property: 1 Fire, 2 Allied lines, 3 Farmowners, 4 Homeowners, 5 CMP, 12 Earthquake, 25 Glass, 26 Burglary and theft, 27 Boiler and machinery, 28 credit; Location of risk: 11 Medical malpractice, 14 Group A&H, 17 Other liability; Location of garage: 19 Auto liability, 21 Auto physical damage, 8 Ocean marine - Where policy is negotiated and placed; 9 Inland marine - Where located; 10 Financial guaranty - Location of principal; 15 Other A&H - Insured's residence; 16 Workers' compensation - Location of employee's workplace; 23 Fidelity - Location of insured's principal office; 22 Aircraft - Location of airport from which insured's aircraft operates; 24 Surety - Depository, supply contract and miscellaneous: Location of principal; Judicial: Location of court; Licensee: Location of obligee; Construction: Location of work

**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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