

EXHIBIT L

Captive Strategy

- **Landscape loans will have choice of PMI / LDPRA**
 - **Estimated date – February, 2007.**
 - **Borrower choice, all products and tiers.**
- **Use leverage to re-negotiate Captives with MI's.**
 - **Open RFP?**
 - **Additional players (MGIC / RMIC).**
 - **Self-adjusting captive risk corridors.**
 - **Premiums for Bulk.**
 - **Premiums for Lender Funded MI.**
 - **Product**
 - **Execution Information (what other's are doing).**
 - **Scoring Models.**
- **Engage Milliman**
 - **# of Captives**
 - **Corridors**
 - **Risk Transference / Optimization**
 - **<60 Credits**
 - **New RESPA Opinion**

EXHIBIT M

Message

From: Rosenthal, Sam (MBS) [Sam.Rosenthal@mortgagefamily.com]
Sent: 1/8/2007 12:48:51 PM
To: walkerdt@ugcorp.com; nnichole@ugcorp.com
Subject: FW: Estimated Atrium Trust Values as of December 31, 2006
Attachments: Jan 2007 Estimate of Capital Release.xls

Hi gentlemen - let's talk this morning. I think that I can get on this page as our recommendation. I appreciate the creativity and willingness to work on this.

I believe that we might be able to go a bit further than you suggested. It is my understanding that Book Years 1996, 1995, 1994-1993 are finished. Thus, I don't think that we are obligated to hold any capital against them. It is no longer our risk - we are no longer receiving any premiums, Atrium is out of the transaction entirely.

Thus, I believe that the contingency reserve for these years should go to zero. If this is the case, then I calculate that we can receive 52,734,498.50 of capital back, as opposed to the \$44.9mm that your team calculated.

Take a peek at the page called "test". Let me know if you agree. If yes, I would like to present this page to the powers that be at Atrium and convince them that this is a good plan. (I realize that you still have to get this approved internally).

Give me a call, I am here all day and look forward to discussing this with you.

Thanks.
 Sam
 856-917-0182

-----Original Message-----

From: walkerdt@ugcorp.com [mailto:walkerdt@ugcorp.com]
Sent: Thursday, January 04, 2007 9:14 AM
To: Rosenthal, Sam (MBS)
Cc: nnichole@ugcorp.com
Subject: Estimated Atrium Trust Values as of December 31, 2006

Sam,

Attached is a spreadsheet showing estimated accounts for Atrium as of 12/31/2006 relevant to the required trust balances.

If UGRIC and Atrium agreed to an amendment of the capital required for the 2001 and prior books to equal just the required contingency reserves of those books on an ongoing basis, then the capital required as of 12-31-2006 would be reduced by our estimate by about \$44.9 million as shown in the attached spreadsheet. This \$44.9 million would be the potential release from the trusts.

I believe this to be a comparable number to the \$34 million we discussed in December, but updated to reflect the estimated 4th quarter accounts for Atrium.

I do not believe a commutation would be necessary -- just an amendment of the required capital -- although we are still investigating how the GSE's MI Eligibility requirements for captive capital might impact us here.

This would require approval, of course, of senior management and risk

committee oversight at UGC and probably with your firm as well.

(See attached file: Jan 2007 Estimate of Capital Release.xls)

Dan Walker
Senior Vice President, Structured Products
AIG United Guaranty
800-334-8966 ext 0270

This communication from United Guaranty Corporation or its subsidiary is directed to and is for the use of the individual or entity to which it is addressed. It may contain information that is confidential and exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any distribution, dissemination, or copy of this communication is strictly prohibited. If you have received this communication in error, please contact the sender immediately, and then delete or destroy the material in its entirety.

EXHIBIT N

AMENDMENT # 7 TO REINSURANCE AGREEMENT

BY AND BETWEEN

UNITED GUARANTY RESIDENTIAL INSURANCE COMPANY

AND

ATRIUM INSURANCE CORPORATION

Pursuant to Section 16.2 of the Reinsurance Agreement by and between United Guaranty Residential Insurance Company (“UGRIC”), as Ceding Company, and Atrium Insurance Corporation, as Reinsurer, dated January 1, 1997, as amended by Amendment #1 dated as of January 1, 1998, as amended by Amendment #2 dated as of January 1, 2000, as amended by Amendment #3 dated as of November 27, 2001, as amended by Amendment #4 dated as of December 11, 2003, as amended by Amendment #5 dated as of June 1, 2005, as amended by Amendment #6 dated as of July 6, 2006, (collectively, the “Agreement”) the Agreement is hereby amended effective as of February 1, 2007 as follows:

Section 13.2 is deleted in its entirety and replaced with the following:

13.2 For each Policy Year beginning on or after April 1, 1997 and prior to January 1, 2003, the capital fund portion of the Trust Account shall be funded in an initial amount of two million dollars (\$2,000,000) or twenty (20) basis points per one billion dollars (\$1,000,000,000) of new insurance written. This funding must be made on or before December 31 of the respective policy year. For all Policy Years, the Reinsurer shall deposit into the Trust Account such amounts, if any, as are necessary to attain a balance in the Trust Account equal to the reserves required in Section 13.3, plus an amount (the “Reinsurer’s Capital Deposit”) equal to the product of (i) ten percent of the difference between the Reinsurer Limit and the Reinsurer Attachment and (ii) the amount of the Original Risk in Force.

The Reinsurer shall not be entitled to receive dividends from the Trust Account, unless the Trust Account is, at the time of such proposed dividend, funded in an amount equal to the reserve required under Section 13.3, plus an amount equal to the total, for all Policy Years, of the amount determined for each Policy Year as follows:

- a) for Policy Years 2002 and later, the greater of (i) the “Reinsurer’s Capital Requirement”, an amount equal to two times the Reinsurer’s Capital Deposit, or (ii) the Contingency Reserve,
- b) for Policy Years 2001 and prior, the Contingency Reserve,

provided that the capital portion of the Trust Account for all Policy Years combined shall not be less than the greater of the capital required by the Fannie Mae Mortgage Insurance Eligibility Guidelines or that required by

the Freddie Mac Mortgage Insurance Eligibility Guidelines, as calculated by UGRIC.

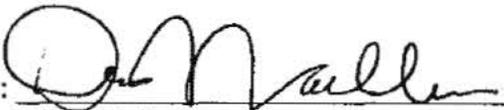
Furthermore, no dividends shall be disbursed to the Reinsurer from the Trust Account by the Trustee prior to January 1, 2005.

Whenever the Trust Account is less than that required by Sections 13.2 and 13.3, Reinsurer is prohibited from paying any dividends. Ceding Company shall remit all Reinsurance Premiums to the Trustee under the Trust Agreement, and all investment income, dividends, and capital gain from, and other increase in, the assets of the Trust Account shall be added to the capital portion of the Trust Account, except that (i) operating and management expenses of up to one hundred thousand dollars (\$100,000) per year and (ii) federal income tax payments due from Reinsurer and attributable to this Agreement may be withdrawn from the investment income, dividends, capital gain from, or other increase in, such assets. The amount actually payable pursuant to clause (i) of this paragraph shall not exceed the Ceding Company's pro-rata share of operational expenses after taking into account the portion of all operating expenses fairly allocable to other mortgage guaranty insurance companies ceding business to the Reinsurer. In no event will the amount be payable pursuant to clauses (i) and (ii) of this paragraph if the Trust Account is less than the reserves required in Section 13.3 for all Policy Years, plus the greater of: (a) the aggregate Reinsurer's Capital Deposit for all Policy Years reduced by Net Losses paid by Reinsurer, or (b) the Contingency Reserve. If Reinsurer experiences an underwriting loss in any given calendar year and, as a result thereof, receives a federal income tax refund then Reinsurer shall remit to the Trust Account within 45 days after such receipt an amount equal to the lesser of: (i) the amount of the federal income tax refund attributable to the underwriting loss or (ii) the amount paid under clause (ii) of this paragraph for the prior two calendar years. Total capital shall consist of common capital stock, gross paid in and contributed surplus, unassigned funds (surplus), and statutory contingency reserves.

All other terms of this Agreement remain the same.

IN WITNESS WHEREOF, this Amendment #7 has been duly executed by the Parties hereto.

UNITED GUARANTY RESIDENTIAL INSURANCE COMPANY

By: 
Daniel T. Walker
Senior Vice President – Structured Products

Dated: 2-8-2007

Attest: 
Holly R. Morris
Structured Products Analyst

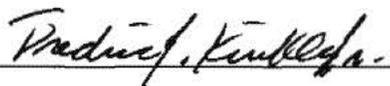
Dated: 2-8-07

ATRIUM REINSURANCE CORPORATION

By: 

Dated: 2/19/07

Name and title: Mark R. Davany SVP, CFO

Attest: 

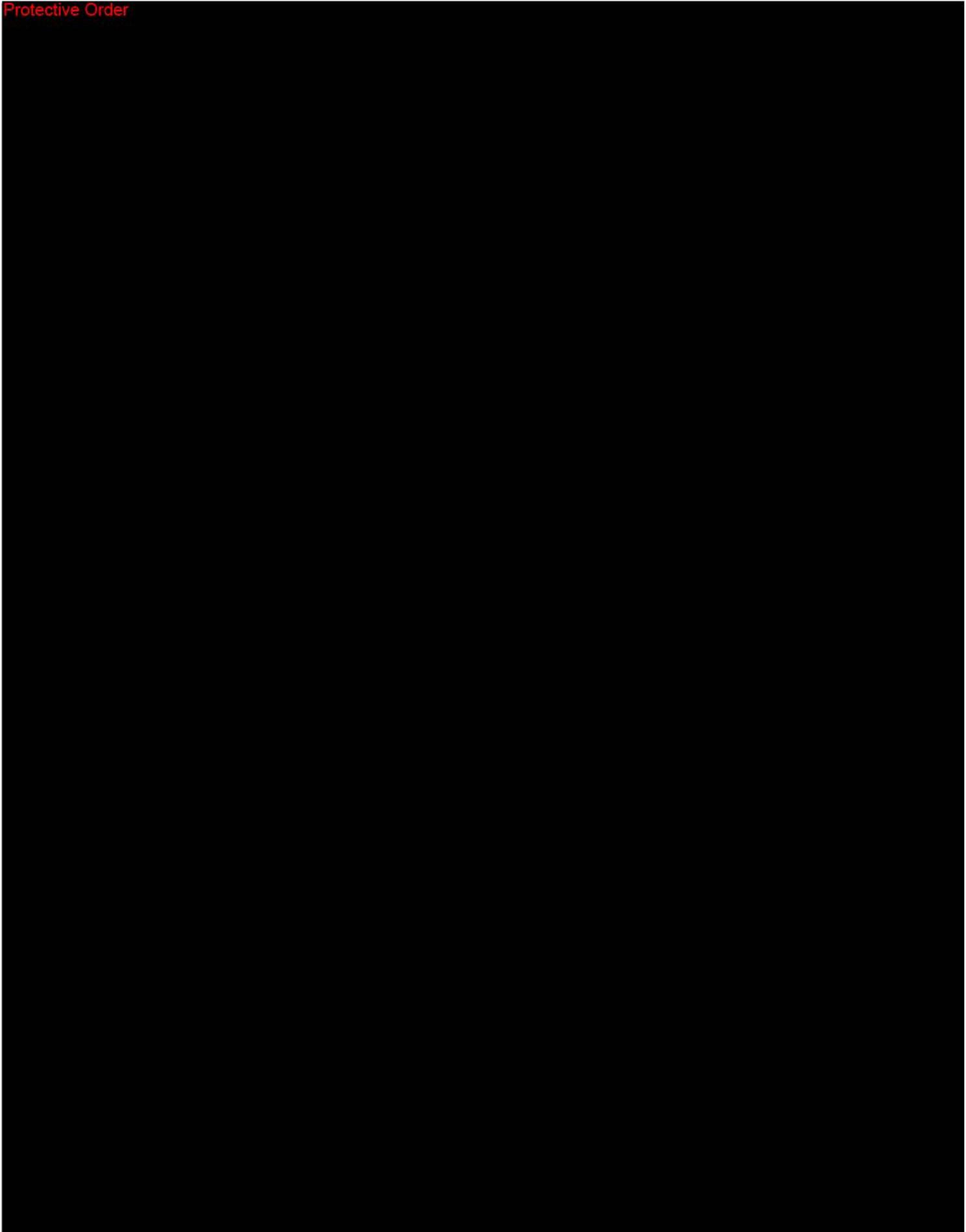
Dated: 2/20/07

Name and title: Fredric J. Kinkler, Jr., Assistant Secretary

EXPIRATION NOTICE: All parties to this Agreement 3-44 shall execute this Amendment #7 before 11:59 PM on February 28, 2007, or the amendment will be void in its entirety. After the expiration date, a new amendment will be circulated with a revised effective date of 30 days later than stated herein.

EXHIBIT O

Protective Order

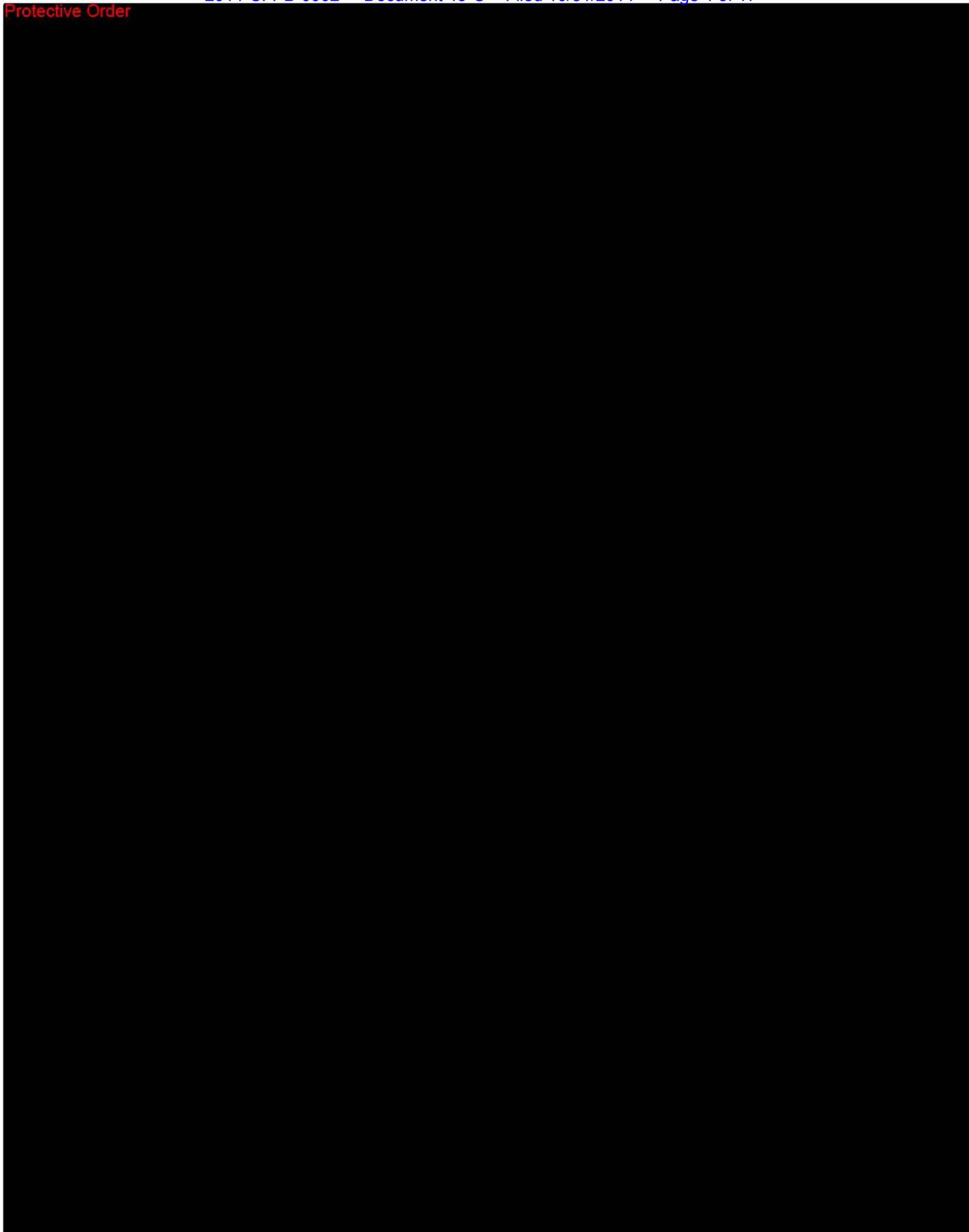


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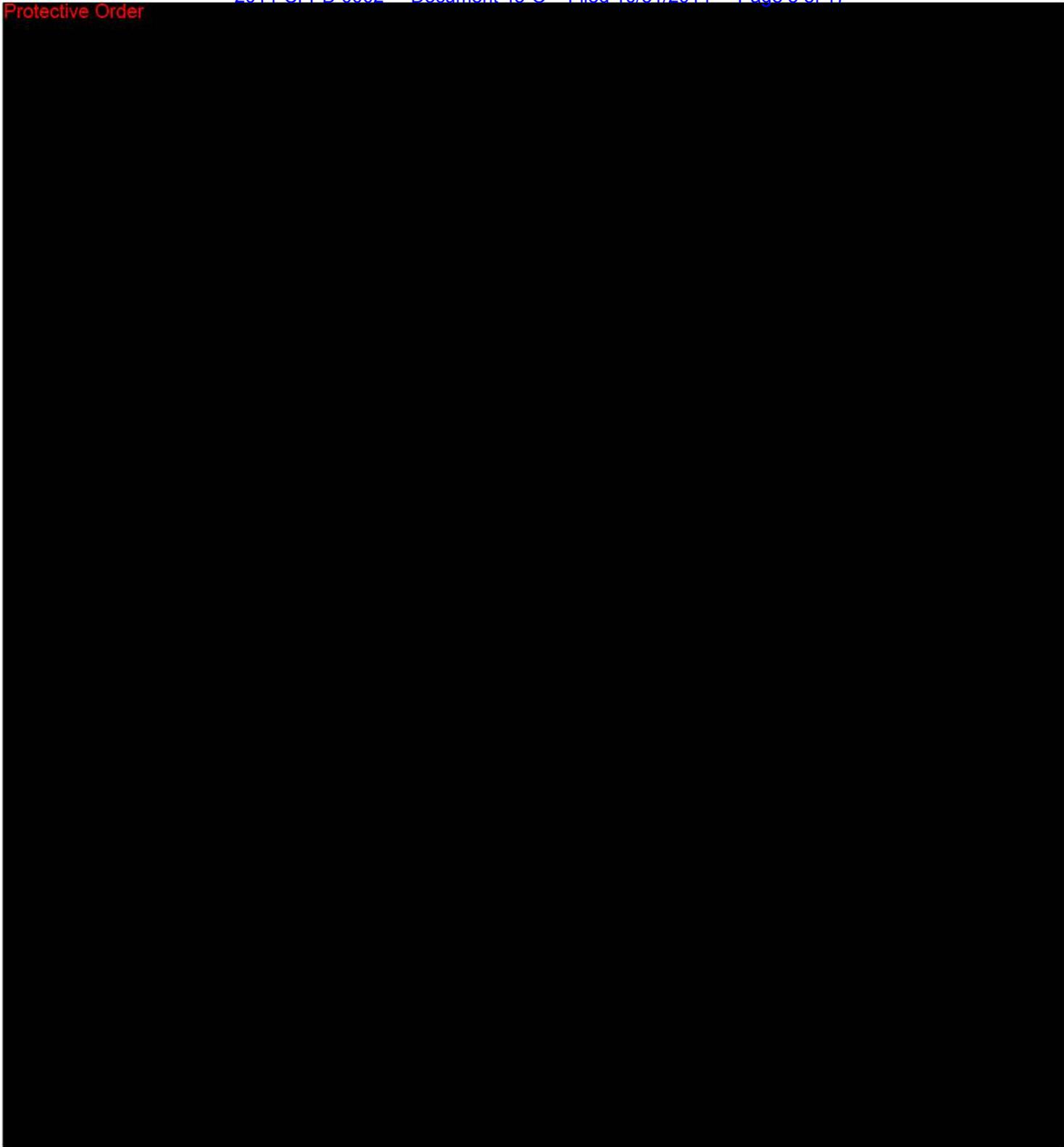
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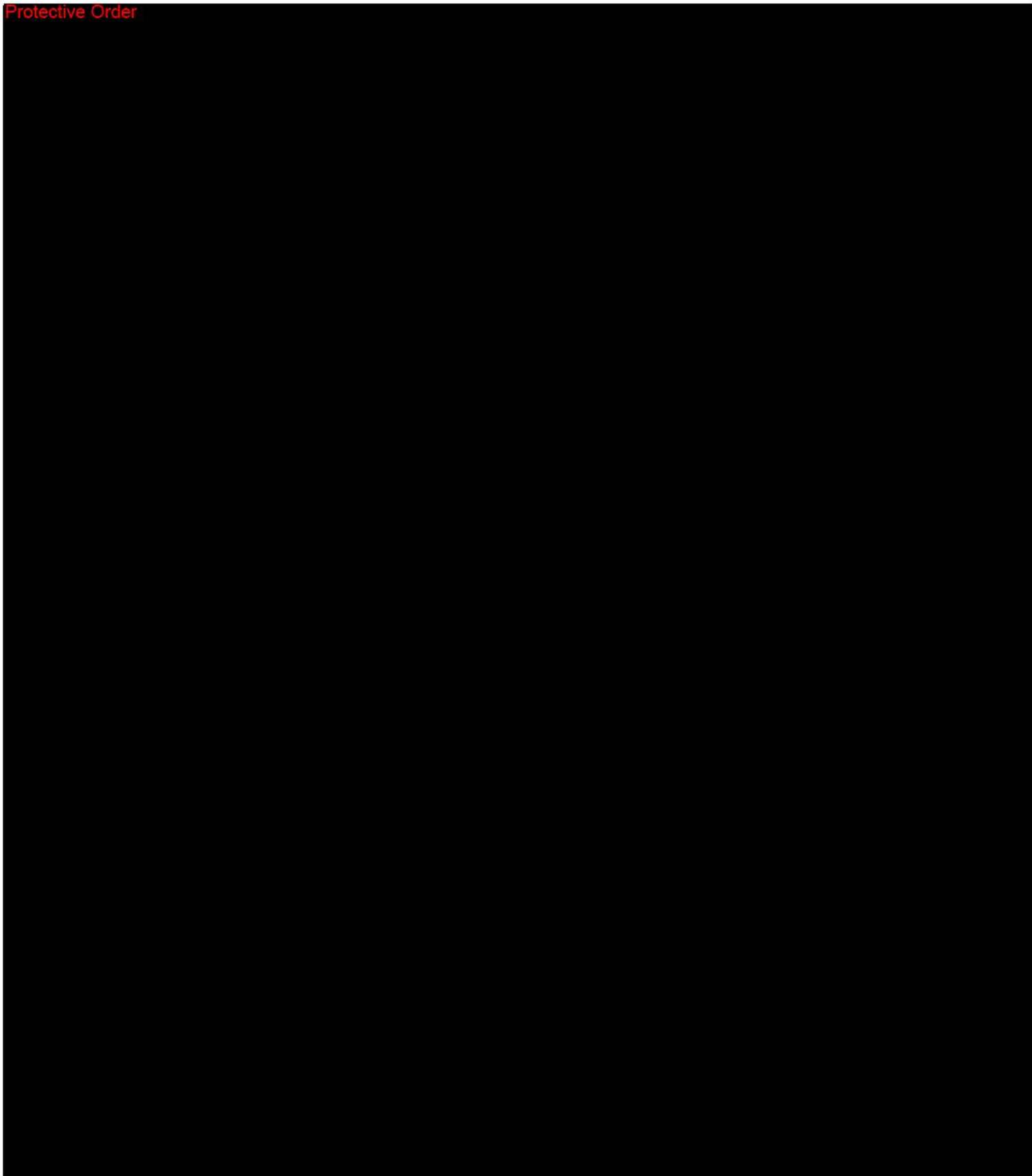
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Protective Order

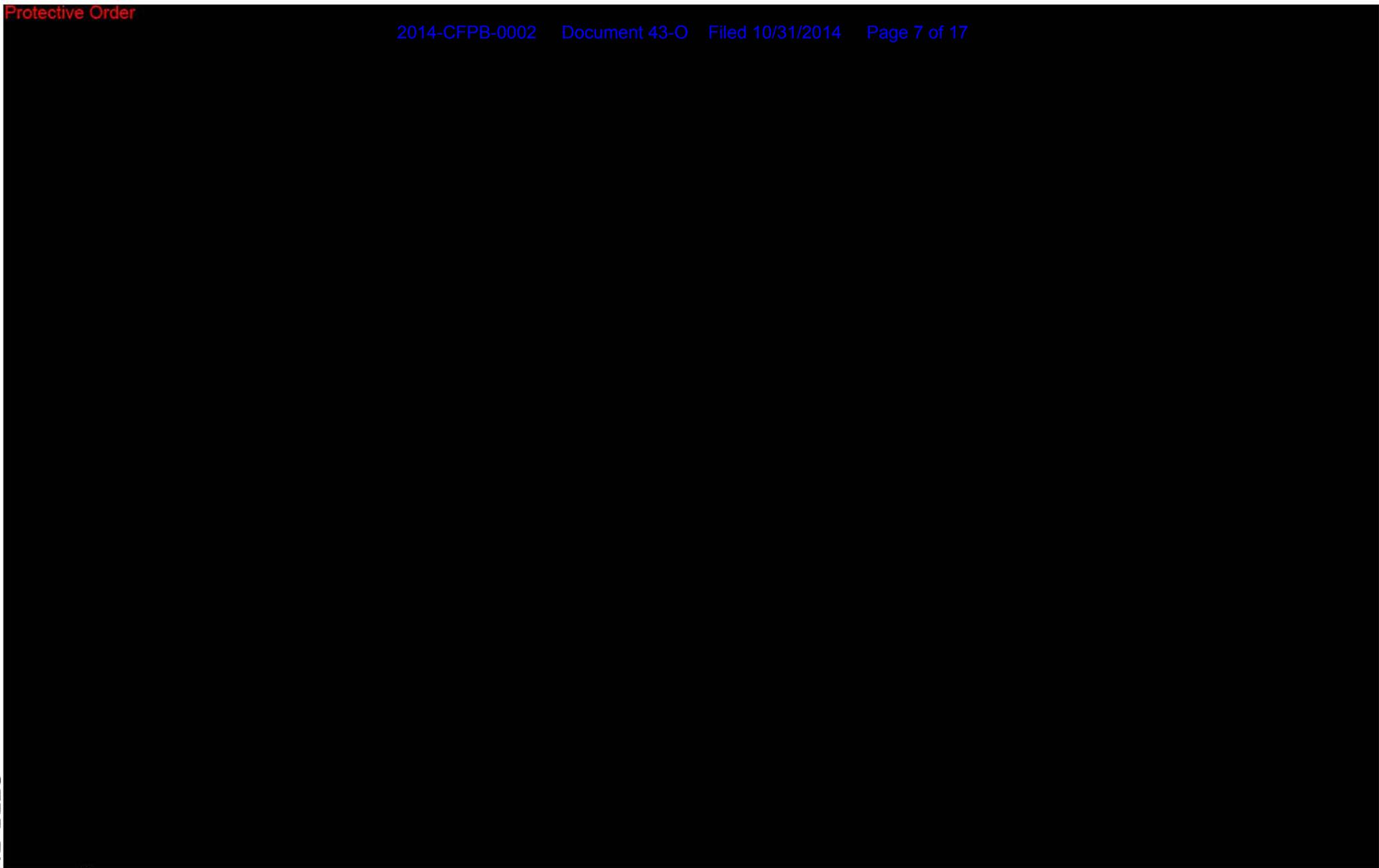


Protective Order



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CFPB-PHH-00124511



MUNOZ 12185

CFPB-PHH-00124512



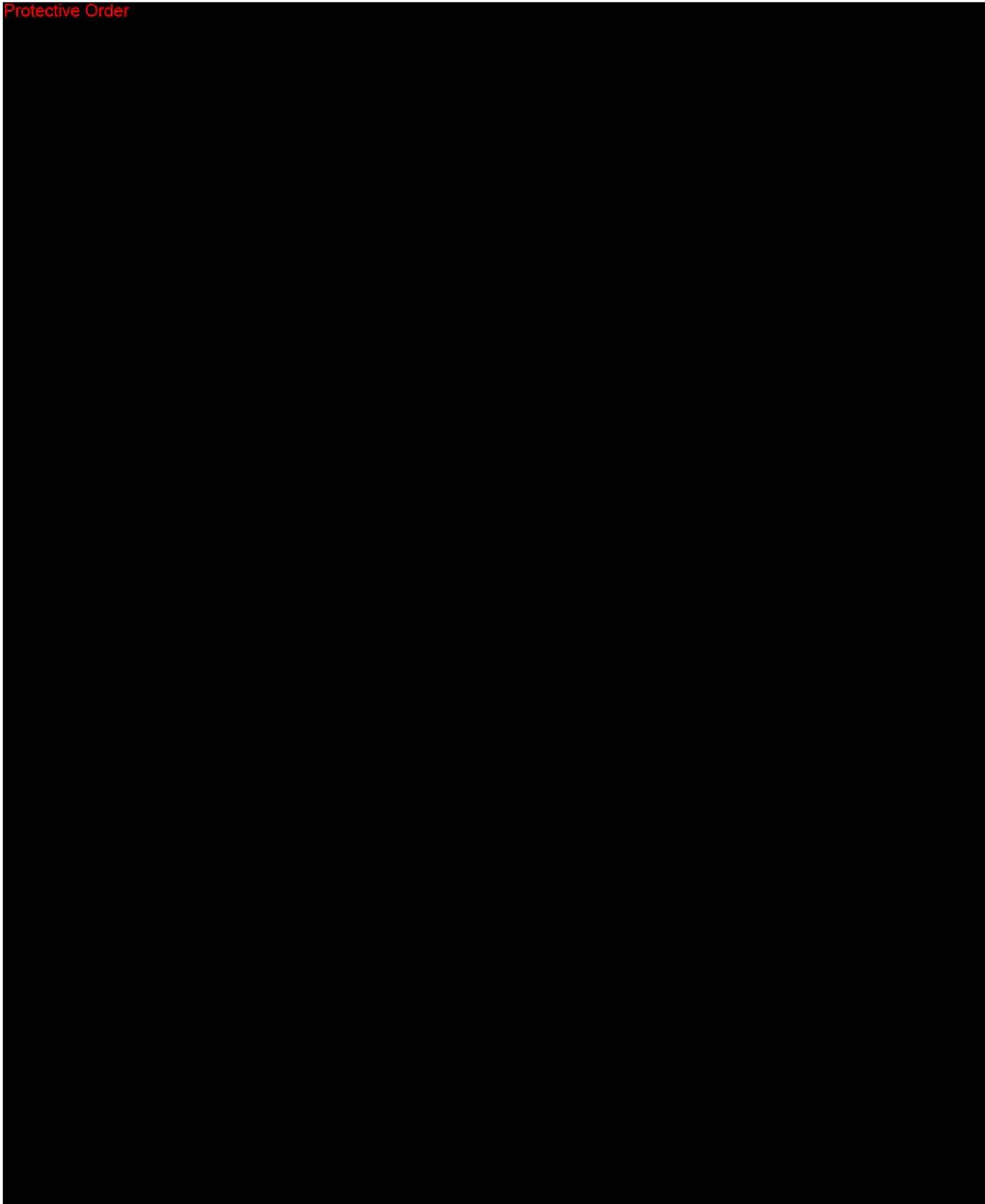
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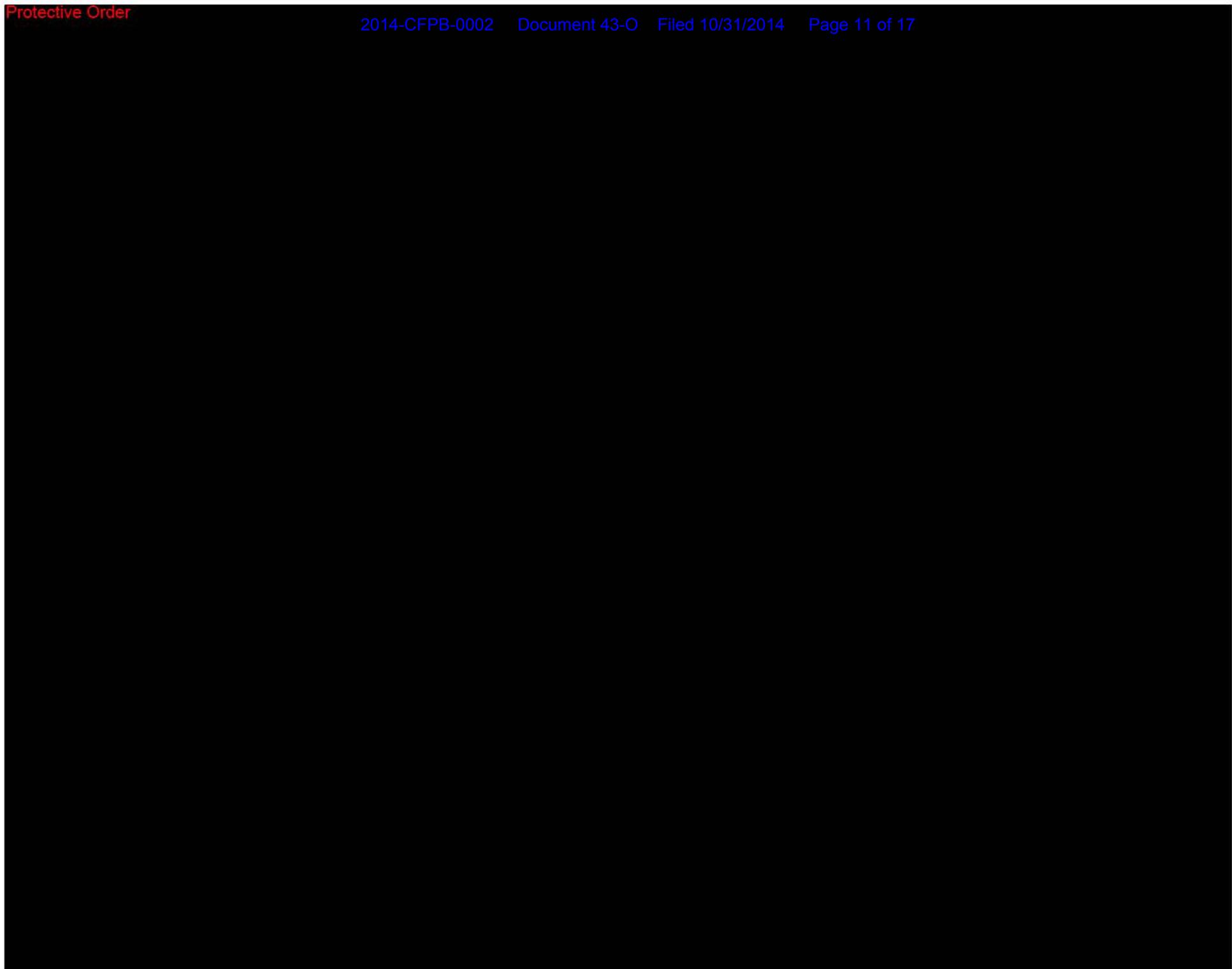


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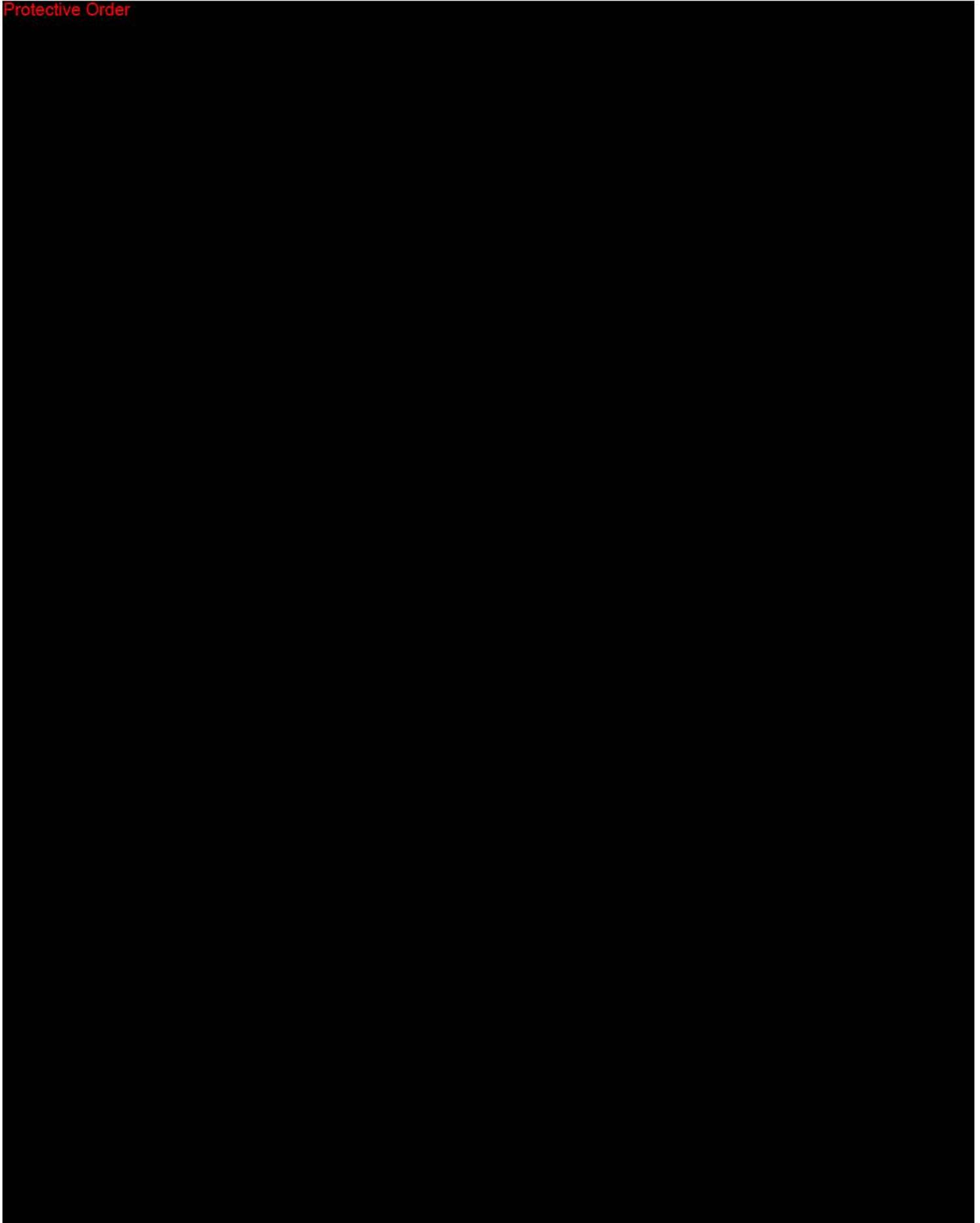
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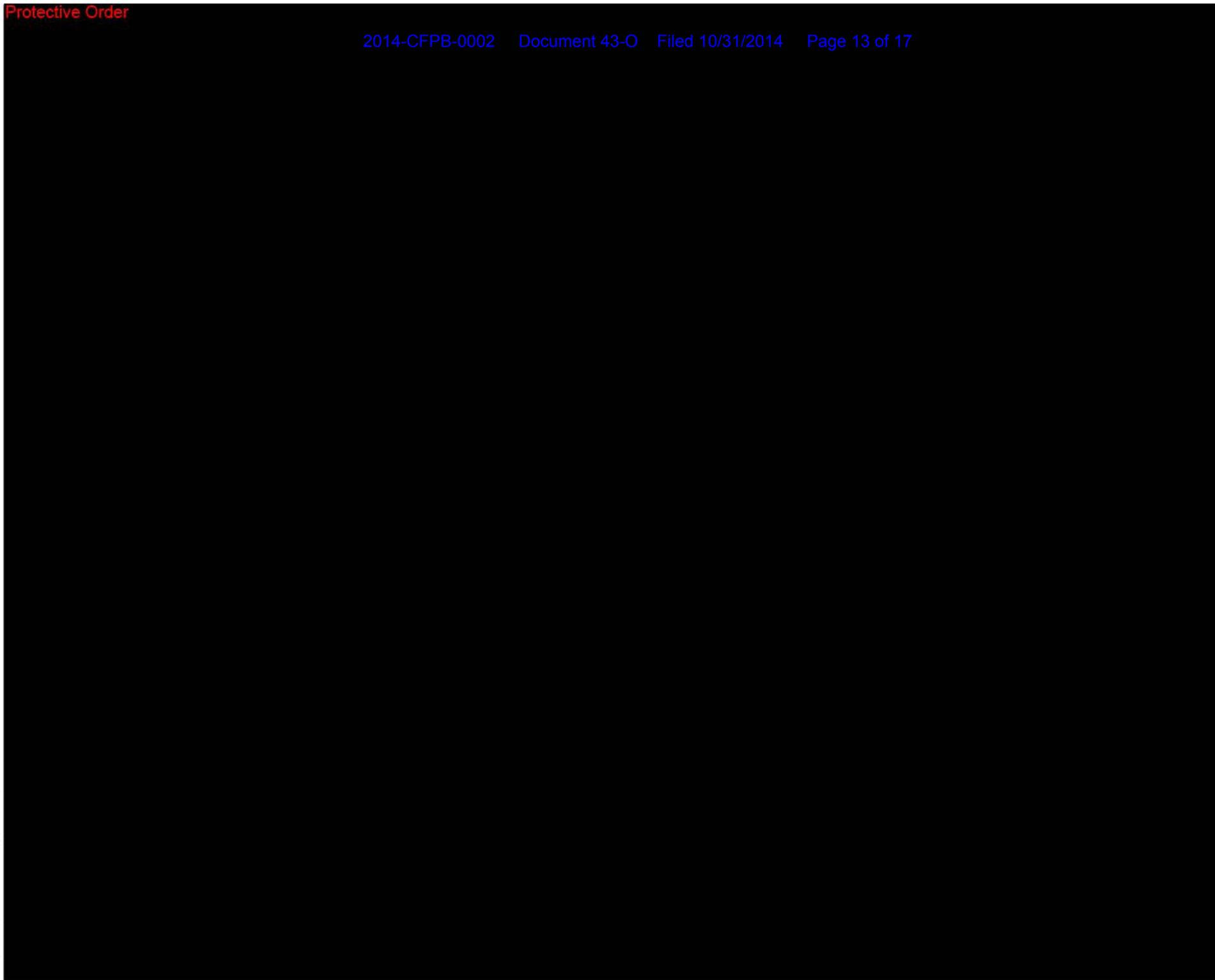
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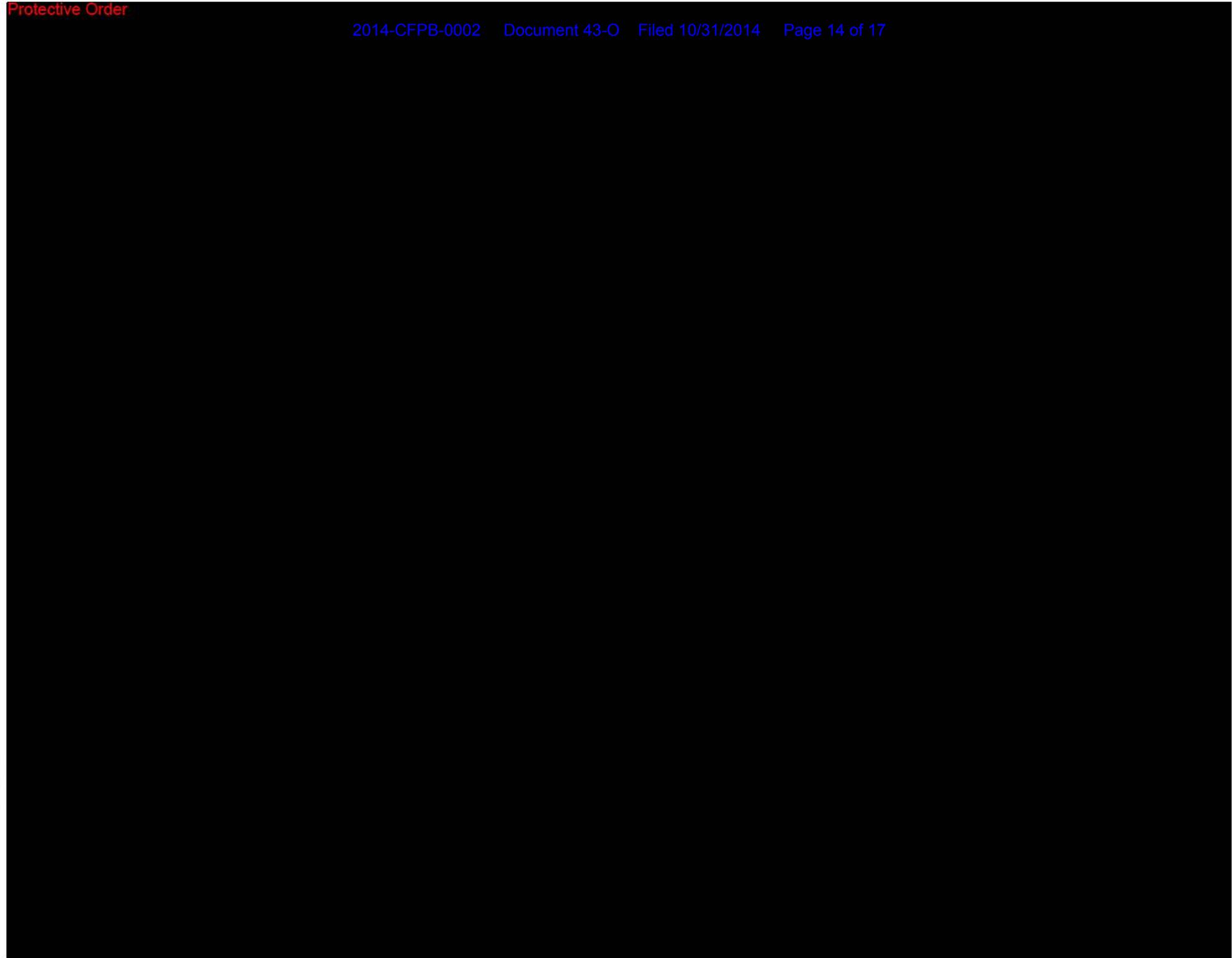


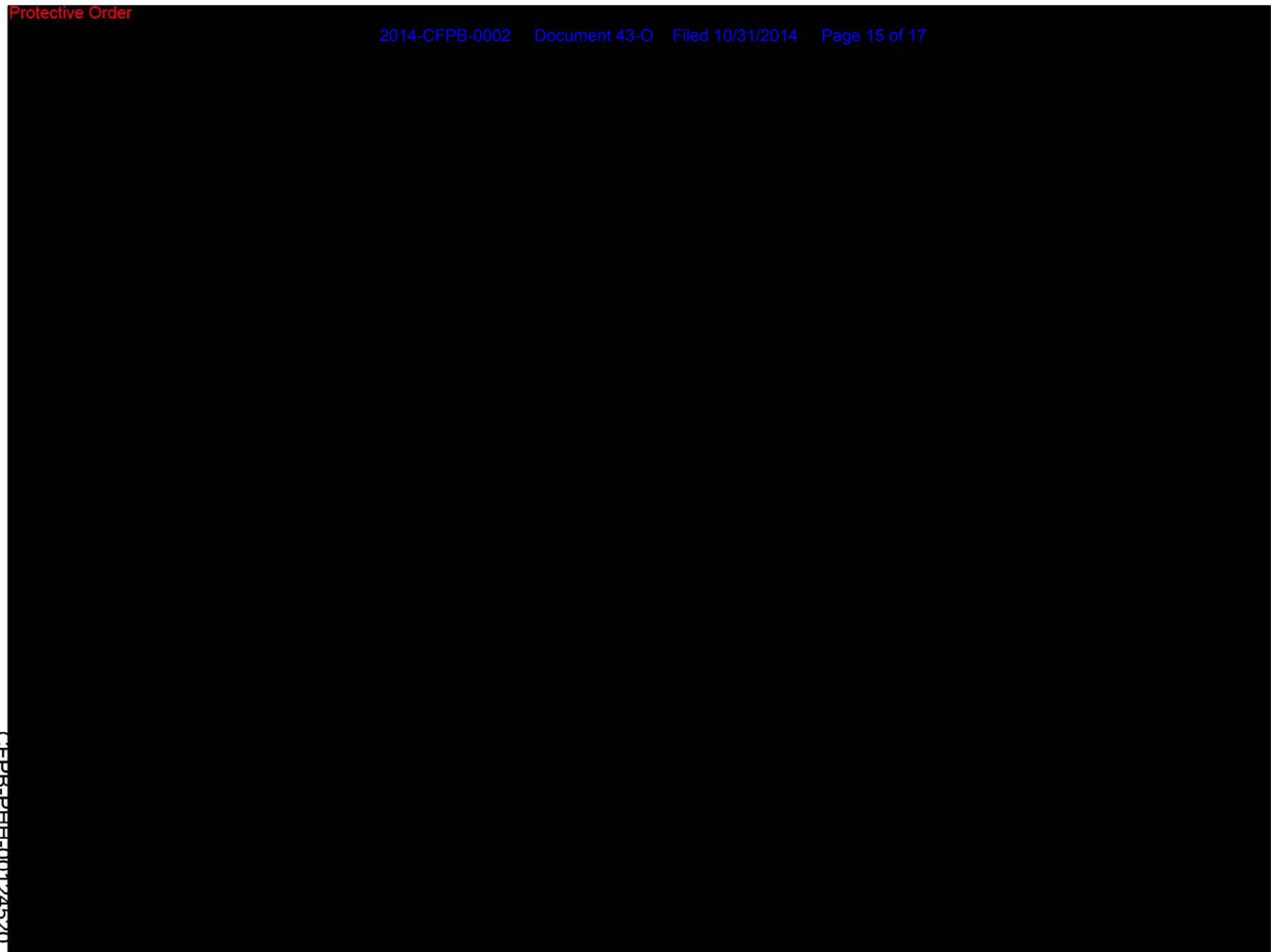


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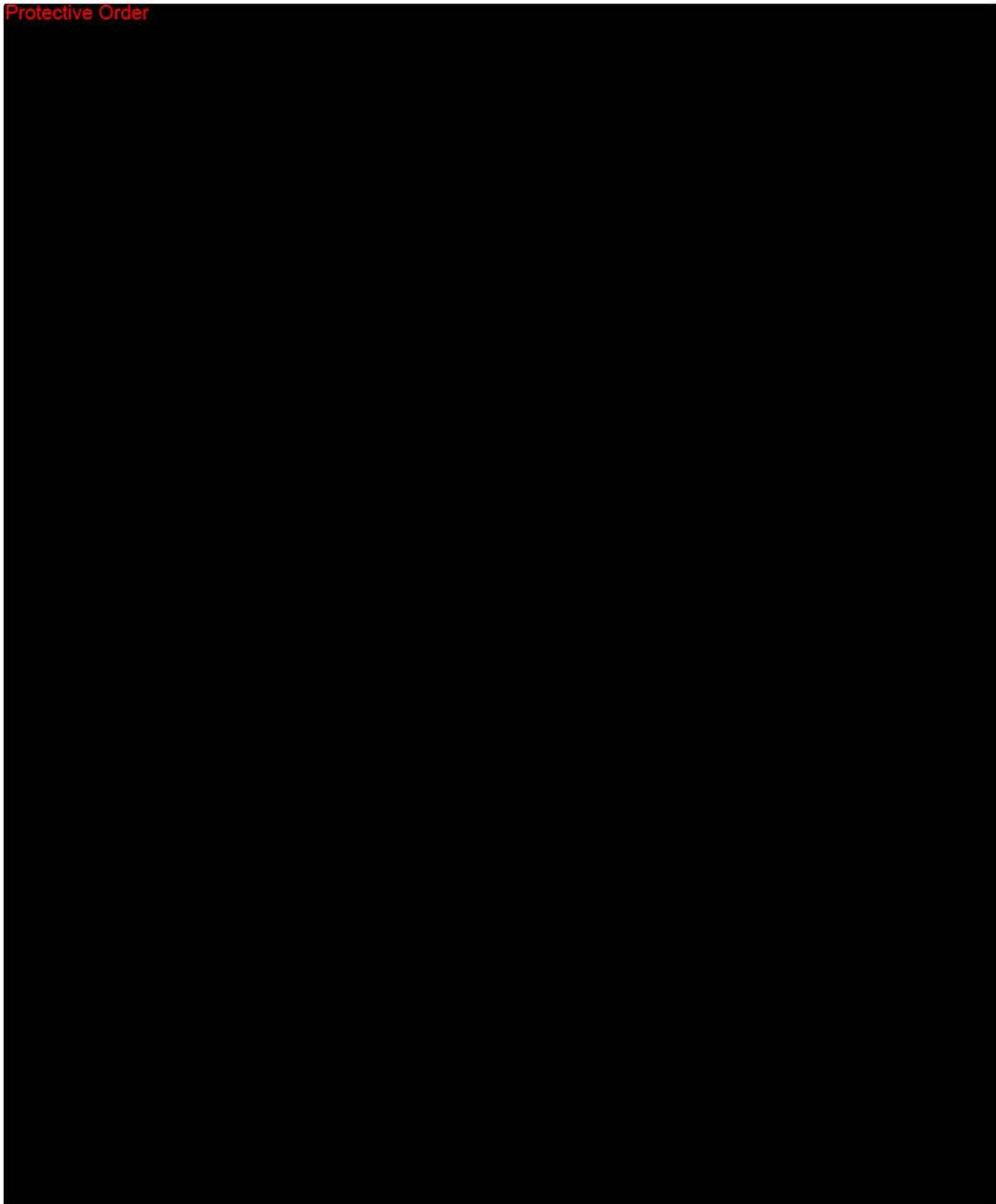








Protective Order



CONFIDENTIAL PHH-MUNOZ 12194

CFPB-PHH-00124521

Protective Order

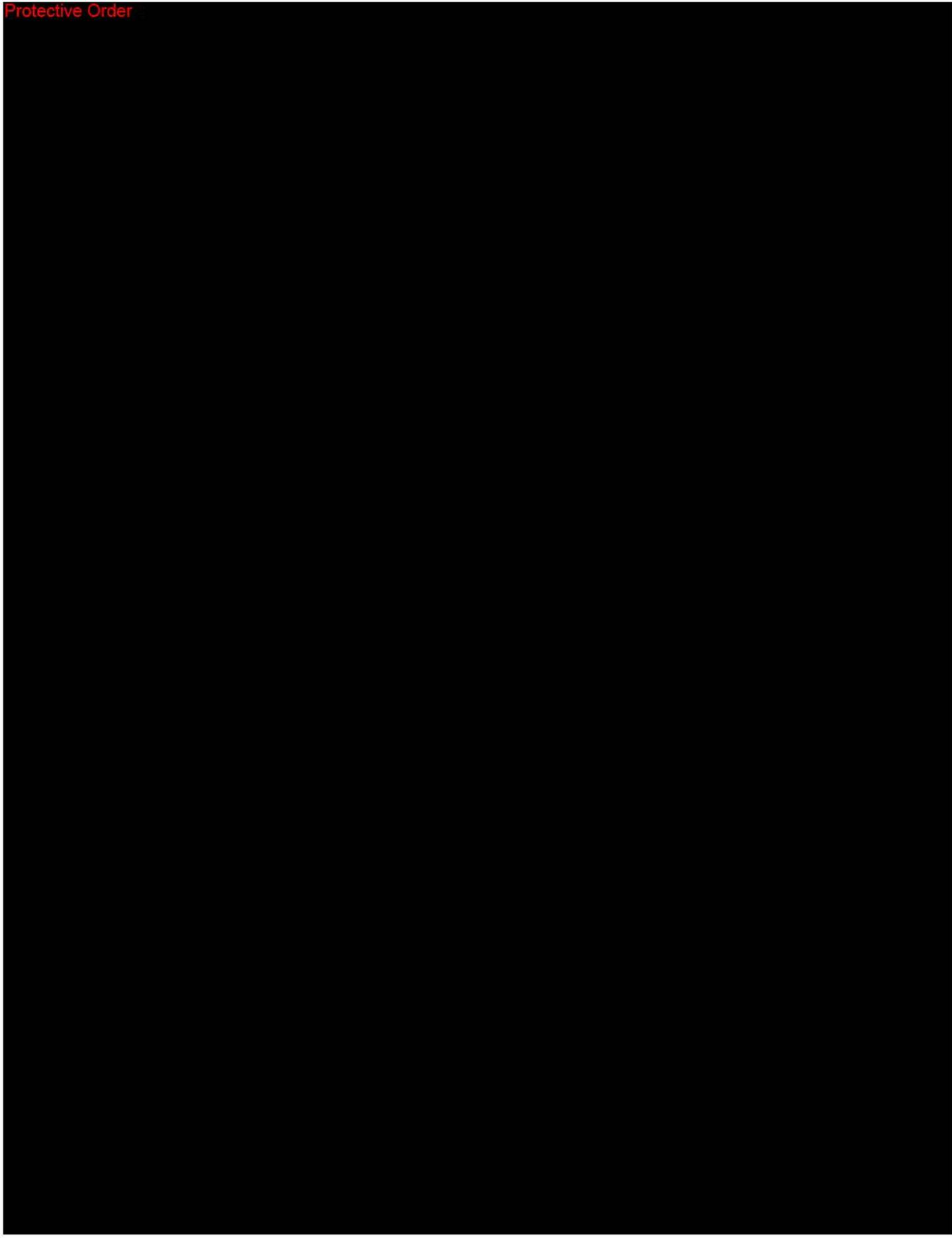


EXHIBIT P

Message

From: Steven Beagles [steven.beagles@pmigroup.com]
Sent: 10/27/2006 4:02:19 PM
To: Rosenthal, Sam (MBS) [Sam.Rosenthal@mortgagefamily.com]
CC: Kim Schubert [kim.schubert@pmigroup.com]; Kwang Lim [kwang.lim@pmigroup.com]
Subject: RE: data for captive analysis

Sam – as long as you think the tape that you send will be representative of your insured business mix then that should be fine.

Let's start with that and if we jointly decide that we need more then we can deal with that later.

Best,

Steve

Steve Beagles

Director, Captive Reinsurance
PMI Mortgage Insurance Co.
925-658-6630 (direct)
925-639-7951 (mobile)
steven.beagles@pmigroup.com

From: Rosenthal, Sam (MBS) [mailto:Sam.Rosenthal@mortgagefamily.com]
Sent: Friday, October 27, 2006 4:44 AM
To: Steven Beagles
Cc: Kim Schubert; Kwang Lim
Subject: RE: data for captive analysis

I am going to work with someone on my team to create another tape. I am thinking that one more tape is probably sufficient – perhaps from the last large year where we 1) did a lot of volume and 2) did a significant amount of refinances. Let me know if you believe that is satisfactory. If you want more, we can probably provide – let's talk.

I have also listed some additional answers in the body of the e-mail below.

From: Steven Beagles [mailto:steven.beagles@pmigroup.com]
Sent: Thursday, October 26, 2006 6:23 PM
To: Rosenthal, Sam (MBS)
Cc: Kim Schubert; Kwang Lim
Subject: data for captive analysis

Sam,

It was great to have a chance to meet you in person at the MBA the other day.

I think we have some interesting things to work on and look forward to co-developing something that will be long-term sustainable.

In that regard, I think we discussed gathering some additional data to use in modeling a risk-based structure. There will essentially be 1) a model that we develop that will enable us to determine an entry point and layer given a mix of business at various time points and then 2) a model to help project what performance might look like under different scenarios.

If possible – we would like to ask for the following data: (same format as the tape that you provided before):

- Production sample by vintage going back 3 to 5 years (ideally this should be split up into years so we can match to a book-year). This should be a representative sample of what would have been MI insured loans. **As per the comment above.**
- Expectation of go-forward loan mix (if it's the data that you already sent then that's fine). Again assuming that what you sent would have MI on it. **My expectation is that it will look just like the data tape that we sent to you.**
- Volume expectations on a go-forward basis. This doesn't necessarily have to be the amount of business that will come to PMI. We could look at it from an aggregate standpoint. We just want to make sure we scale properly in the analysis (e.g. so you don't see large jumps from one book year to another). **I anticipate that we will create approximately \$2Billion of Insurable loans in 2007.**

I think that will be a good start. What we will do in the meantime is develop some thinking and methodology around the actual risk-based entry point and layer for further discussion. **Think high cede, late attachment, short corridor, low capital, fast dividend!**

Again – it was great to meet you and we look forward to working with you. **It was great meeting you guys too – we look forward to working with you as well. Sam**

Steve

Steve Beagles

Director, Captive Reinsurance
PMI Mortgage Insurance Co.
925-658-6630 (direct)
925-639-7951 (mobile)
steven.beagles@pmigroup.com

EXHIBIT Q

ANNUAL STATEMENT

OF THE

Atrium Insurance Corporation

OF

New York

IN THE STATE OF

New York

TO THE

INSURANCE DEPARTMENT

OF THE

STATE OF

FOR THE YEAR ENDED

DECEMBER 31, 2008

2008

PROPERTY AND CASUALTY

2008

10392200844000100

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

Statement of Actuarial Opinion



15820 Bluemound Road
Suite 400
Brookfield, WI 53005-5069
USA

STATEMENT OF ACTUARIAL OPINION

Tel +1 262 784-2350
Fax +1 262 784-6388

ml@na.com

**Annual Statement of
Atrium Insurance Corporation
For the Year Ended December 31, 2008**

IDENTIFICATION

I, Michael C. Schmitz, am associated with the firm of Milliman, Inc. I am a member of the American Academy of Actuaries and meet its qualification standards for Statements of Actuarial Opinion regarding fire and casualty insurance company statutory Annual Statements. I am also a Fellow of the Casualty Actuarial Society. I was appointed by the Board of Directors of Atrium Insurance Corporation ("the Company") on December 31, 2001 to render this opinion.

The loss and loss adjustment expense reserves are the responsibility of the Company's management; my responsibility is to express an opinion on those reserves based on my review.

SCOPE

I have examined the reserves listed in Exhibit A, as shown in the Annual Statement of the Company as prepared for filing with state regulatory officials, as of December 31, 2008. The items upon which I am expressing an opinion, as shown in Exhibit A, reflect the disclosures shown in Exhibit B.

The Company writes no long duration contracts, defined as contracts, excluding financial guaranty contracts, mortgage guaranty contracts, and surety contracts, that fulfill both of the following conditions: (1) the contract term is greater than or equal to thirteen months and (2) the insurer can neither cancel nor increase the premium during the contract term.

In forming my opinion on the loss and loss adjustment expense reserves, I relied upon data and related information prepared by the Company. In this regard, I relied on Mr. Mark Danahy, Senior Vice President and Chief Financial Officer, Atrium Insurance Corporation, as to the accuracy and completeness of the data. I evaluated the data used directly in my analysis for reasonableness and consistency. My evaluation did not reveal any data points materially affecting my analysis that fell outside of the range of reasonable possibilities. In performing this evaluation, I have assumed that the Company (a) used its best efforts to supply accurate and complete data and (b) did not knowingly provide any inaccurate data. I also reconciled the earned premium amounts, paid loss and loss adjustment expense amounts and case reserve amounts as of December 31, 2008 used in my analysis against Schedule P - Part 1 of the Company's current Annual Statement. As a note, direct losses of the Company's cedants were used in my analysis as well, although such amounts do not appear in the Company's Schedule P. Additionally, ceded case reserves are reported by the Company's cedants as of December 31, 2008. However, the Company has established no assumed case reserves, but the Company has included such reserves in its Incurred But Not Reported (IBNR) reserves. In other respects, the analysis underlying my opinion included the use of such actuarial assumptions and methods and such tests of calculations as I considered necessary.

Offices in Principal Cities Worldwide

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ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

Statement of Actuarial Opinion

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STATEMENT OF ACTUARIAL OPINION**Annual Statement of
Atrium Insurance Corporation
For the Year Ended December 31, 2008**

My review was limited to the items included in Exhibit A, and did not include an analysis of any income statement items or other balance sheet items. My opinion on the reserves is based upon the assumption that all reserves are backed by valid assets which have suitably scheduled maturities and/or adequate liquidity to meet cash flow requirements.

OPINION

In my opinion, the sum of the amounts carried on account of Items 1. and 2., and the sum of the amounts carried on account of Items 3. and 4., as shown in Exhibit A:

- A. Meet the requirements of the insurance laws of the State of New York;
- B. Are consistent with reserves computed in accordance with Standards of Practice issued by the Actuarial Standards Board (including the Casualty Actuarial Society's Statement of Principles Regarding Property and Casualty Loss and Loss Adjustment Expense Reserves); and
- C. Make a reasonable provision for all unpaid loss and loss expense obligations of the Company under the terms of its contracts and agreements.

RELEVANT COMMENTS**Risk of Material Adverse Deviation**

There are a variety of risk factors that expose the Company's reserves to significant variability. The Company reinsures mortgage insurance on an excess-of-loss basis. Major risk factors in reinsuring mortgage insurance include the variability inherent in mortgage insurance coverage, including economic conditions, the Company's relatively short operating history, the immaturity of its loss experience and the additional variability associated with excess-of-loss reinsurance structures. The potential impact of these risk factors is described in more detail in the following paragraph and in the report supporting this opinion. The absence of other risk factors from this listing does not imply that additional risk factors will not be identified in the future as being a significant influence on the Company's reserves.

The uncertainty associated with my estimates is magnified by the nature of mortgage insurance. Mortgage insurance results are sensitive to economic factors such as unemployment, housing market conditions, interest rate levels, etc. Past experience may not be indicative of future conditions. A loan underwritten in a given year is generally insured over several calendar years. Therefore, adverse economic conditions in a future calendar year could affect results not only for the current underwriting year, but also prior underwriting years. The Company's losses are subject to even greater uncertainty due to the excess-of-loss structure of its reinsurance business. The Company's reserves reflect a proportionate accrual for the Company's expected ultimate incurred losses in excess of the aggregate excess attachment points on its reinsurance agreements (i.e., an accrual proportional to the premium earned to date under such agreements). Excess losses tend to be more volatile as they are associated with more severe economic deteriorations. Future economic developments which give rise to future delinquencies will impact actual ultimate incurred losses. Mortgage insurance loss estimates are significantly more uncertain in light of severe economic deterioration we are experiencing, which is characterized by significantly elevated default rates and adverse house price trends.

M&Bman

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ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

Statement of Actuarial Opinion

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STATEMENT OF ACTUARIAL OPINION

**Annual Statement of
Atrium Insurance Corporation
For the Year Ended December 31, 2008**

I believe that the risk factors above, coupled with the variability that is inherent in any estimate of unpaid loss and loss adjustment expense obligations, could result in material adverse deviation from the carried net reserve amounts. In making this determination, I have considered a material adverse deviation to be one in which the actual net unpaid losses and loss adjustment expenses exceed the total of Items 1. and 2. on Exhibit A by an amount greater than \$5,850,782. This materiality standard, shown as Item 5. in Exhibit B, is equal to 10% of the Company's statutory surplus shown on the Liabilities, Surplus and Other Funds page of the Annual Statement. My selection of the materiality standard was based on the fact that this opinion is prepared for the regulatory review of the Company. Other measures of materiality might be used for reserves that are being evaluated in a different context.

Uncertainty

In evaluating whether the reserves make a reasonable provision for unpaid losses and loss expenses, it is necessary to project future loss and loss adjustment expense payments. Actual future losses and loss adjustment expenses will not develop exactly as projected and may, in fact, vary significantly from the projections. Further, my projections make no provision for extraordinary future emergence of new classes of losses or types of losses not sufficiently represented in the Company's historical database or that are not yet quantifiable.

Reinsurance

The Company has represented to me that it has no ceded reinsurance. Based on representations made by Company management and its description of the Company's ceded and assumed reinsurance (as mentioned above, the Company has no ceded reinsurance), I am not aware of any reinsurance transaction that either has been or should have been accounted for as retroactive reinsurance or as financial reinsurance (defined as contractual arrangements that do not include transfer of both timing and underwriting risk).

IRIS Ratios

The booked reserves do not create exceptional values in the IRIS tests One-Year Reserve Development to Surplus, Two-Year Reserve Development to Surplus, and Estimated Current Reserve Deficiency to Surplus.

Other DisclosuresSalvage and Subrogation

The data underlying my review, and the resulting estimates, are generally net of salvage and subrogation. The Company has represented to me that it does not reduce reserves to reflect anticipated salvage and subrogation recoveries.

Discounting

I evaluated the loss and loss adjustment expense reserves on an undiscounted basis with regard to the time value of money. The Company has represented that it does not reduce reserves to reflect discounting.

M88man

10392200844000100

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

Statement of Actuarial Opinion

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STATEMENT OF ACTUARIAL OPINION

**Annual Statement of
Atrium Insurance Corporation
For the Year Ended December 31, 2008**

Underwriting Pools and Associations

The Company has represented that it does not participate in pools and associations.

Asbestos and Environmental Exposure

I have reviewed the Company's exposure to asbestos and environmental claims. In my opinion, there is a remote chance of material liability, since the Company has no reported claims and the Company reinsures mortgage insurance business only.

Extended Loss and Expense Reserves

The Company has represented that it does not write extended loss and expense contracts and therefore carries no extended loss and expense reserves.

Contractual Liability for Service Contracts

The Company has represented that it does not provide contractual liability coverage for service contracts (vehicles, appliances, etc.).

Pre-Paid Loss Adjustment Expenses

The Company has represented that the reserve for unpaid loss adjustment expenses was established based on the estimated amount to adjust all open and unreported claims, regardless of pre-payments made to third party claims administrators.

Contingency Reserve

As required by the State of New York, the Company carries a statutory contingency reserve whereby 50% of earned premium in each calendar year is set aside and maintained for a period of ten years (unless earlier releases are permitted for the payment of certain losses). The contingency reserve provides a measure of protection against future incurred losses. The Company's contingency reserve is \$191,577,852 as of December 31, 2008. I have reviewed the calculation of this reserve and reconciled it to the Annual Statement.

SUPPORTING DOCUMENTS AND USAGE

An actuarial report, including underlying actuarial work papers supporting the findings expressed in this Statement of Actuarial Opinion, will be provided to the Company to be retained for a period of seven years in the administrative offices of the Company and made available for regulatory examination.

M&Bman

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ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

Statement of Actuarial Opinion

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STATEMENT OF ACTUARIAL OPINION

Annual Statement of
Atrium Insurance Corporation
For the Year Ended December 31, 2008

This Statement of Actuarial Opinion is solely for the use of, and only to be relied upon by, the Company and the various state departments with which it files its Annual Statement.



Michael C. Schmitz, FCAS, MAAA
Fellow, Casualty Actuarial Society
Member, American Academy of Actuaries
mike.schmitz@milliman.com

Milliman, Inc.
15800 Bluemound Road, Suite 400
Brookfield, WI 53005
(262) 784-2250

February 26, 2009

J:\CL\EST\108-02\Statements\SAO\12-31-08.doc

Milliman

10392200844000100

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

Statement of Actuarial Opinion

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STATEMENT OF ACTUARIAL OPINION

Annual Statement of
Atrium Insurance Corporation
For the Year Ended December 31, 2008

EXHIBIT A: SCOPE

<u>Loss Reserves:</u>	<u>Column 1 Amount</u>
1. Reserve for Unpaid Losses (Liabilities, Surplus and Other Funds page, Col. 1, Line 1)	\$83,324,856
2. Reserve for Unpaid Loss Adjustment Expenses (Liabilities, Surplus and Other Funds page, Col. 1, Line 3)	\$0
3. Reserve for Unpaid Losses – Direct and Assumed (Schedule P, Part 1, Totals from Cols. 13 and 15, Line 12 * 1000)	\$83,325,000
4. Reserve for Unpaid Loss Adjustment Expenses – Direct and Assumed (Schedule P, Part 1, Totals from Cols. 17, 19 and 21, Line 12 * 1000)	\$0

M&Bman

10392200844000100

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

Statement of Actuarial Opinion

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STATEMENT OF ACTUARIAL OPINION

Annual Statement of
Atrium Insurance Corporation
For the Year Ended December 31, 2008

EXHIBIT B: DISCLOSURES

	<u>Column 1</u>	<u>Column 2</u>	<u>Column 3</u>	<u>Column 4</u>
1. Name of the Appointed Actuary		Schmitz	Michael	C.
2. The Appointed Actuary's Relationship to the Company Enter E or C based upon the following: E if an Employee; or C if a Consultant			C	
3. The Appointed Actuary is a Qualified Actuary based upon what qualification? Enter F, A, M, or O based upon the following: F if an FCAS; A if an ACAS; M if not a member of the CAS, but a Member of the American Academy of Actuaries approved by the Casualty Practice Council, as documented with the attached approval letter; or O for Other			F	
4. Type of Opinion, as identified in the OPINION paragraph. Enter R, I, E, Q, or N based upon the following: R if Reasonable; I if Inadequate or Deficient Provision; E if Excessive or Redundant Provision; Q if Qualified (use Q when part of the opinion is Qualified); or N if No Opinion			R	
5. Materiality Standard expressed in US dollars (used to answer Question #6)	\$5,950,782			
6. Is there a Significant Risk of Material Adverse Deviation?			Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Applicable <input type="checkbox"/>	
7. Statutory Surplus (Liabilities, Col. 1, Line 35)	\$60,507,823			
8. Anticipated net salvage and subrogation included as a reduction to loss reserves as reported in Schedule P (Part 1 Summary, Col 23, Line 12*1600)	\$0			
9. Discount included as a reduction to loss reserves and loss expense reserves as reported in Schedule P				
9.1 Nontabular Discount (Notes, Line 31B23, (amounts 1, 2, 3 & 4)). Electronic Filing Cols 7, 8, 9 & 10	\$0			
9.2 Tabular Discount (Notes, Line 31A23, (amounts 1 & 2)). Electronic Filing Cols 7 & 8	\$0			

M&Bman

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ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

Statement of Actuarial Opinion

- 8 -

STATEMENT OF ACTUARIAL OPINION

Annual Statement of
Atrium Insurance Corporation
For the Year Ended December 31, 2008

EXHIBIT B: DISCLOSURES (continued)

	Column 1	Column 2	Column 3	Column 4
10. The net reserves for losses and expenses for the company's share of voluntary and involuntary underwriting pools' and associations' unpaid losses and expenses that are included in reserves shown on the Liabilities, Surplus and Other Funds page, Losses and Loss Adjustment Expenses lines.		\$0		
11. The net reserves for losses and loss adjustment expenses that the company carries for the following liabilities included on the Liabilities, Surplus and Other Funds page, Losses and Loss Adjustment Expenses lines.				
11.1 Asbestos, as disclosed in the Notes to Financial Statements (Notes, Line 32A03D, ending net asbestos reserves for current year), Electronic Filing Col. 11		\$0		
11.2 Environmental, as disclosed in the Notes to Financial Statements (Notes, Line 32D03D, ending net environmental reserves for current year), Electronic Filing Col. 11		\$0		
12. The total claims made extended loss and expense reserve (Schedule P Interrogatories).				
12.1 Amount reported as loss reserves		\$0		
12.2 Amount reported as unearned premium reserves		\$0		
13. Statutory Contingency Reserve		\$191,577,552		

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ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

Management's Discussion and Analysis

ATRIUM INSURANCE CORPORATION

Management's Discussion and Analysis

For the Year Ended December 31, 2008

General Information:

Atrium Insurance Corporation ("Atrium" or the "Company") is a primary mortgage reinsurer licensed in the State of New York but assumes insurance on mortgages located in virtually all states. Atrium writes no direct insurance rather it assumes mortgage insurance from four cedents. Atrium was incorporated and began business on November 9, 1995.

Certain administrative functions of Atrium are provided by subsidiaries of PHH Corporation. This serves to streamline Atrium's expenses by facilitating a sharing of resources between some of the PHH Corporation companies. The method of allocation of expenses is enumerated in a Services Agreement, Expenses Allocation Agreement and a Lease Agreement, based upon arms length negotiated amounts.

During the year-ended December 31, 2008, Atrium's results of operations were negatively impacted by an increase in incurred losses due to increasing delinquencies in its mortgage loans subject to reinsurance and declining home values throughout 2008. Continued increases in mortgage loan delinquency rates could also have a negative impact on Atrium's business as further declines in real estate values and continued deterioration in economic conditions could adversely impact borrowers' ability to repay mortgage loans. While there were no paid losses under reinsurance agreements during 2008, reinsurance related reserves increased \$83,324,956 million, reflective of the recent trends. As a result of the continued weakness in the housing market and increasing delinquency and foreclosure experience, Atrium expects to increase loss reserves during 2009. We expect to begin to pay claims for certain book years and reinsurance agreements during 2009.

Results of Operations:

Net premiums assumed and net premiums earned increased \$5,450,790 or 17% from December 31, 2007 to 2008. Net premiums assumed are initially deferred and recognized as earned based upon the terms of the underlying policies. Premiums are generally earned ratably over the policy period. Therefore, the unearned premium is not fully recognized as net premiums earned until the end of the period.

Net investment income decreased \$7,406,711 in 2008 when compared to 2007 primarily due to the decrease of interest income from investments in Treasury Bills and an Institutional Money Market fund resulting from a decrease in the yield earned on the investments.

Financial Information:

As of December 31, 2008, Atrium assumed risks in the amounts of \$376,470,946, \$314,070,789, \$11,685,710 and \$10,530,999 for four cedents. As of December 31, 2007, Atrium assumed risks in the amounts of \$362,887,837, \$286,154,221, \$8,701,203 and \$7,510,514 for four cedents.

Total admitted assets increased 12% from December 31, 2007 to 2008 with the increase in invested assets from collection and investment of net premiums earned on assumed risk.

At December 31, 2008, loss reserves amounted to \$83,324,956, an increase of 158% over December 31, 2007 and represent solely Incurred But Not Reported losses. The reserve is based on actuarial assumptions, and the factors used in determining the reserve include delinquency statistics of the underlying mortgage loans, industry loss data and the actual loss history at Atrium and its ceding companies. Atrium has paid no losses to date since its inception. The methods used to determine such estimates and to establish the resulting reserves are continually reviewed and updated. It is management's belief that the loss reserve is adequate to cover insurance net losses and loss expenses at December 31, 2008.

Management is not aware of any material events that would cause reported financial information not to be indicative of future operating results or of future financial position.

Cash Flow and Liquidity:

At December 31, 2008, Atrium's invested assets represent cash of \$55,188,888, short-term government securities of \$180,633,510, and an Institutional Money Market Fund (classified as common stock) of \$80,523,484. Atrium has established an account in trust for each cedent, as Atrium is not licensed in the cedent's home state. This trust represents collateral that can be drawn on for losses. Cash and invested assets have increased 10% from 2007 to 2008. Net cash provided from operating activities was \$29,893,990. Management believes that Atrium's liquid assets and its net cash provided by operations will enable it to meet any foreseeable cash requirements.

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ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

Audited Financial Report



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2008
 OF THE CONDITION AND AFFAIRS OF THE
Atrium Insurance Corporation

NAIC Group Code	<u>0000</u>	<u>0000</u>	NAIC Company Code	<u>10362</u>	Employer's ID Number	<u>52-1936400</u>
	(Current Period)	(Prior Period)				
Organized under the Laws of	<u>New York</u>			State of Domicile or Port of Entry	<u>New York</u>	
Country of Domicile	<u>United States</u>					
Incorporated/Organized	<u>11/09/1995</u>		Commenced Business	<u>11/09/1995</u>		
Statutory Home Office	<u>1230 Avenue of the Americas, Suite 766</u>		<u>New York, NY 10020</u>			
	(Street and Number)		(City or Town, State and Zip Code)			
Main Administrative Office	<u>1230 Avenue of the Americas, Suite 766</u>		<u>New York, NY 10020</u>	<u>212-664-8057</u>		
	(Street and Number)		(City or Town, State and Zip Code)	(Area Code) (Telephone Number)		
Mail Address	<u>1230 Avenue of the Americas, Suite 766</u>		<u>New York, NY 10020</u>			
	(Street and Number or P.O. Box)		(City or Town, State and Zip Code)			
Primary Location of Books and Records	<u>1230 Avenue of the Americas, Suite 766</u>		<u>New York, NY 10020</u>	<u>856-917-0186</u>		
	(Street and Number)		(City or Town, State and Zip Code)	(Area Code) (Telephone Number)		
Internet Website Address	<u>N/A</u>					
Statutory Statement Contact	<u>Mark Danahy</u>		<u>856-917-0186</u>			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	<u>mark.danahy@mortgagefamily.com</u>					
	(E-mail Address)		(Fax Number)			

OFFICERS

Name	Title	Name	Title
<u>Terry Edwards</u>	<u>President</u>	<u>William F Brown</u>	<u>Senior Vice President & Secretary</u>
<u>Mark Danahy</u>	<u>Senior Vice President & CFO</u>		

OTHER OFFICERS

<u>Sandra Bell #</u>	<u>Executive Vice President & Assistant Treasurer</u>	<u>Mark E Johnson</u>	<u>Vice President & Treasurer</u>
<u>Lee Kaplan</u>	<u>Vice President & Assistant Secretary</u>	<u>Claire McDonald</u>	<u>Assistant Secretary</u>
<u>Michael D Orner #</u>	<u>Vice President and Assistant Treasurer</u>	<u>Mark Rhodes #</u>	<u>Vice President - Tax</u>
<u>Donna A Van Osten</u>	<u>Vice President</u>		

DIRECTORS OR TRUSTEES

<u>Spiro Bantis</u>	<u>Sandra Bell #</u>	<u>Richard Bradfield</u>	<u>William F Brown</u>
<u>Mark Danahy</u>	<u>Terry Edwards</u>	<u>John J Erdmann</u>	<u>Mark E Johnson</u>
<u>George Kilroy</u>	<u>Henry Miller</u>	<u>Michael D Orner #</u>	<u>Donna A Van Osten</u>
<u>Joseph Weikel</u>			

State of New Jersey
 County of Burlington **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.

<u>Terry Edwards</u>	<u>William F Brown</u>	<u>Mark Danahy</u>
President	Senior Vice President & Secretary	Senior Vice President & CFO

Subscribed and sworn to before me this 24th day of February, 2009

Donna A Van Osten

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

GERALDINE A. GAGER
 Notary Public of New Jersey
 Commission Expires Sept. 23, 2012

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).....	0		0	0
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	0		0	0
2.2 Common stocks.....	80,523,484		80,523,484	64,893,359
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	0
3.2 Other than first liens.....			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances).....			0	0
4.3 Properties held for sale (less \$ encumbrances).....			0	0
5. Cash (\$55,188,888 , Schedule E, Part 1), cash equivalents (\$0 , Schedule E, Part 2) and short-term investments (\$180,633,510 , Schedule DA).....	235,822,398		235,822,398	221,558,532
6. Contract loans, (including \$ premium notes)			0	0
7. Other invested assets (Schedule BA).....	0	0	0	0
8. Receivables for securities.....			0	0
9. Aggregate write-ins for invested assets.....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	316,345,881	0	316,345,881	286,451,891
11. Title plants less \$ charged off (for Title insurers only).....			0	0
12. Investment income due and accrued.....	963,877		963,877	2,259,707
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection.....	12,423,405		12,423,405	10,626,767
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premium).....			0	0
13.3 Accrued retrospective premium.....			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....			0	0
14.2 Funds held by or deposited with reinsured companies.....			0	0
14.3 Other amounts receivable under reinsurance contracts.....			0	0
15. Amounts receivable relating to uninsured plans.....			0	0
16.1 Current federal and foreign income tax recoverable and interest thereon.....	6,699,713		6,699,713	0
16.2 Net deferred tax asset.....	3,387,151	3,346,607	40,544	41,122
17. Guaranty funds receivable or on deposit.....			0	0
18. Electronic data processing equipment and software.....			0	0
19. Furniture and equipment, including health care delivery assets (\$).....			0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	0
21. Receivables from parent, subsidiaries and affiliates.....			0	0
22. Health care (\$) and other amounts receivable.....			0	0
23. Aggregate write-ins for other than invested assets.....	6,906	0	6,906	11,776
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	339,826,934	3,346,607	336,480,327	299,391,263
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
26. Total (Lines 24 and 25).....	339,826,934	3,346,607	336,480,327	299,391,263
DETAILS OF WRITE-INS				
0901.....				
0902.....				
0903.....				
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above).....	0	0	0	0
2301. Prepaid Rent.....	2,302		2,302	7,172
2302. Security Deposit.....	4,604		4,604	4,604
2303.....				
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above).....	6,906	0	6,906	11,776

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	83,324,956	32,280,240
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	0	0
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	0	0
4. Commissions payable, contingent commissions and other similar charges	1,275,602	1,122,097
5. Other expenses (excluding taxes, licenses and fees)	107,321	48,569
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	0	0
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	0	4,167,611
7.2 Net deferred tax liability	0	0
8. Borrowed money \$ and interest thereon \$	0	0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ and including warranty reserves of \$)	579,359	587,452
10. Advance premium	0	0
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	0	0
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	0	0
14. Amounts withheld or retained by company for account of others	0	0
15. Remittances and items not allocated	0	0
16. Provision for reinsurance (Schedule F, Part 7)	0	0
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	107,414	0
20. Payable for securities	0	0
21. Liability for amounts held under uninsured plans	0	0
22. Capital notes \$ and interest thereon \$	0	0
23. Aggregate write-ins for liabilities	191,577,852	178,832,098
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	276,972,504	217,038,066
25. Protected cell liabilities	0	0
26. Total liabilities (Lines 24 and 25)	276,972,504	217,038,066
27. Aggregate write-ins for special surplus funds	0	0
28. Common capital stock	1,000,000	1,000,000
29. Preferred capital stock	0	0
30. Aggregate write-ins for other than special surplus funds	0	0
31. Surplus notes	0	0
32. Gross paid in and contributed surplus	80,816,004	80,816,004
33. Unassigned funds (surplus)	(22,308,181)	537,193
34. Less treasury stock, at cost:		
34.1 shares common (value included in Line 28 \$)	0	0
34.2 shares preferred (value included in Line 29 \$)	0	0
35. Surplus as regards policyholders (Lines 27 to 33, less 34) (Page 4, Line 39)	59,507,823	82,353,197
36. Totals (Page 2, Line 26, Col. 3)	336,480,327	299,391,263
DETAILS OF WRITE-INS		
2301. Statutory Contingency Reserve	191,577,852	178,832,098
2302.	0	0
2303.	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	191,577,852	178,832,098
2701.	0	0
2702.	0	0
2703.	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	0	0
3001.	0	0
3002.	0	0
3003.	0	0
3098. Summary of remaining write-ins for Line 30 from overflow page	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	0	0

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	37,926,376	32,475,586
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	51,044,716	15,417,472
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	0	0
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	4,738,444	3,945,182
5. Aggregate write-ins for underwriting deductions	0	0
6. Total underwriting deductions (Lines 2 through 5)	55,783,160	19,362,654
7. Net income of protected cells	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(17,856,784)	13,112,932
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	6,060,336	13,467,047
10. Net realized capital gains (losses) less capital gains tax of \$ (Exhibit of Capital Gains (Losses))	0	0
11. Net investment gain (loss) (Lines 9 + 10)	6,060,336	13,467,047
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ charged off \$ amount)	0	0
13. Finance and service charges not included in premiums	0	0
14. Aggregate write-ins for miscellaneous income	0	0
15. Total other income (Lines 12 through 14)	0	0
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(11,796,448)	26,579,980
17. Dividends to policyholders	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(11,796,448)	26,579,980
19. Federal and foreign income taxes incurred	(1,697,405)	8,711,359
20. Net income (Line 18 minus Line 19) (to Line 22)	(10,099,043)	17,868,621
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	82,353,197	95,243,500
22. Net income (from Line 20)	(10,099,043)	17,868,621
23. Net transfers (to) from Protected Cell accounts	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	0	0
25. Change in net unrealized foreign exchange capital gain (loss)	0	0
26. Change in net deferred income tax	2,430,188	(787,819)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 26, Col. 3)	(2,430,765)	758,007
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	0	0
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	0
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	0	(16,500,000)
36. Change in treasury stock (Page 3, Lines 34.1 and 34.2, Column 2 minus Column 1)	0	0
37. Aggregate write-ins for gains and losses in surplus	(12,745,754)	(14,229,111)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	(22,845,374)	(12,890,303)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 35)	59,507,823	82,353,197
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401.		
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0
3701. Statutory Contingency Reserve	(12,745,754)	(14,229,111)
3702.	0	0
3703.	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	(12,745,754)	(14,229,111)

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	36,121,645	33,542,047
2. Net investment income	7,356,166	14,023,705
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	43,477,811	47,565,751
5. Benefit and loss related payments	0	0
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	4,413,902	4,215,622
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	9,169,918	19,582,807
10. Total (Lines 5 through 9)	13,583,821	23,798,429
11. Net cash from operations (Line 4 minus Line 10)	29,893,990	23,767,323
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	0	0
12.2 Stocks	0	5,900,000
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	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	0	5,900,000
13. Cost of investments acquired (long-term only):		
13.1 Bonds	0	0
13.2 Stocks	15,630,125	13,612,389
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	15,630,125	13,612,389
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(15,630,125)	(7,712,389)
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	0	16,500,000
16.6 Other cash provided (applied)	0	0
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	0	(16,500,000)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	14,263,865	(445,066)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	221,558,532	222,003,599
19.2 End of year (Line 18 plus Line 19.1)	235,822,398	221,558,532

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Lines of Business		1	2	3	4
		Net Premiums Written per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	0	0	0	0
2.	Allied lines	0	0	0	0
3.	Farmowners multiple peril	0	0	0	0
4.	Homeowners multiple peril	0	0	0	0
5.	Commercial multiple peril	0	0	0	0
6.	Mortgage guaranty	0	0	0	0
8.	Ocean marine	0	0	0	0
9.	Inland marine	0	0	0	0
10.	Financial guaranty	0	0	0	0
11.1	Medical malpractice - occurrence	0	0	0	0
11.2	Medical malpractice - claims-made	0	0	0	0
12.	Earthquake	0	0	0	0
13.	Group accident and health	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0
15.	Other accident and health	0	0	0	0
16.	Workers' compensation	0	0	0	0
17.1	Other liability - occurrence	0	0	0	0
17.2	Other liability - claims-made	0	0	0	0
18.1	Products liability - occurrence	0	0	0	0
18.2	Products liability - claims-made	0	0	0	0
19.1,19.2	Private passenger auto liability	0	0	0	0
19.3,19.4	Commercial auto liability	0	0	0	0
21.	Auto physical damage	0	0	0	0
22.	Aircraft (all perils)	0	0	0	0
23.	Fidelity	0	0	0	0
24.	Surety	0	0	0	0
26.	Burglary and theft	0	0	0	0
27.	Boiler and machinery	0	0	0	0
28.	Credit	0	0	0	0
29.	International	0	0	0	0
30.	Warranty	0	0	0	0
31.	Reinsurance - Nonproportional Assumed Property	0	0	0	0
32.	Reinsurance - Nonproportional Assumed Liability	0	0	0	0
33.	Reinsurance - Nonproportional Assumed Financial Lines	37,918,283	587,452	579,359	37,926,376
34.	Aggregate write-ins for other lines of business	0	0	0	0
35.	TOTALS	37,918,283	587,452	579,359	37,926,376
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire					0
2. Allied lines					0
3. Farmowners multiple peril					0
4. Homeowners multiple peril					0
5. Commercial multiple peril					0
6. Mortgage guaranty					0
8. Ocean marine					0
9. Inland marine					0
10. Financial guaranty					0
11.1 Medical malpractice - occurrence					0
11.2 Medical malpractice - claims-made					0
12. Earthquake					0
13. Group accident and health					0
14. Credit accident and health (group and individual)					0
15. Other accident and health					0
16. Workers' compensation					0
17.1 Other liability - occurrence					0
17.2 Other liability - claims-made					0
18.1 Products liability - occurrence					0
18.2 Products liability - claims-made					0
19.1,19.2 Private passenger auto liability					0
19.3,19.4 Commercial auto liability					0
21. Auto physical damage					0
22. Aircraft (all perils)					0
23. Fidelity					0
24. Surety					0
26. Burglary and theft					0
27. Boiler and machinery					0
28. Credit					0
29. International					0
30. Warranty					0
31. Reinsurance - Nonproportional Assumed Property					0
32. Reinsurance - Nonproportional Assumed Liability					0
33. Reinsurance - Nonproportional Assumed Financial Lines	579,359				579,359
34. Aggregate write-ins for other lines of business	0	0	0	0	0
35. TOTALS	579,359	0	0	0	579,359
36. Accrued retrospective premiums based on experience					
37. Earned but unbilled premiums					
38. Balance (Sum of Line 35 through 37)					579,359
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire						0
2. Allied lines						0
3. Farmowners multiple peril						0
4. Homeowners multiple peril						0
5. Commercial multiple peril						0
6. Mortgage guaranty						0
8. Ocean marine						0
9. Inland marine						0
10. Financial guaranty						0
11.1 Medical malpractice - occurrence						0
11.2 Medical malpractice - claims-made						0
12. Earthquake						0
13. Group accident and health						0
14. Credit accident and health (group and individual)						0
15. Other accident and health						0
16. Workers' compensation						0
17.1 Other liability - occurrence						0
17.2 Other liability - claims-made						0
18.1 Products liability - occurrence						0
18.2 Products liability - claims-made						0
19.1,19.2 Private passenger auto liability						0
19.3,19.4 Commercial auto liability						0
21. Auto physical damage						0
22. Aircraft (all perils)						0
23. Fidelity						0
24. Surety						0
26. Burglary and theft						0
27. Boiler and machinery						0
28. Credit						0
29. International						0
30. Warranty						0
31. Reinsurance - Nonproportional Assumed Property	XXX					0
32. Reinsurance - Nonproportional Assumed Liability	XXX					0
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX		37,918,283			37,918,283
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0
35. TOTALS	0	0	37,918,283	0	0	37,918,283
DETAILS OF WRITE-INS						
3401.						
3402.						
3403.						
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

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
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 malpractice - occurrence				0	0	0	0	0.0
11.2 Medical malpractice - 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				0	0	0	0	0.0
17.1 Other liability - occurrence				0	0	0	0	0.0
17.2 Other liability - claims-made				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				0	0	0	0	0.0
24. Surety				0	0	0	0	0.0
26. Burglary and theft				0	0	0	0	0.0
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	0.0
32. Reinsurance - Nonproportional Assumed Liability	.XXX			0	0	0	0	0.0
33. Reinsurance - Nonproportional Assumed Financial Lines	.XXX			0	83,324,956	32,280,240	51,044,716	134.6
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.0
35. TOTALS	0	0	0	0	83,324,956	32,280,240	51,044,716	134.6
DETAILS OF WRITE-INS								
3401.								
3402.								
3403.								
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 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0.0

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ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses			Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed			7 Reinsurance Ceded
1. Fire				0				0
2. Allied lines				0				0
3. Farmowners multiple peril				0				0
4. Homeowners multiple peril				0				0
5. Commercial multiple peril				0				0
6. Mortgage guaranty				0				0
8. Ocean marine				0				0
9. Inland marine				0				0
10. Financial guaranty				0				0
11.1 Medical malpractice - occurrence				0				0
11.2 Medical malpractice - claims-made				0				0
12. Earthquake				0				0
13. Group accident and health				0			(a)	0
14. Credit accident and health (group and individual)				0				0
15. Other accident and health				0			(a)	0
16. Workers' compensation				0				0
17.1 Other liability - occurrence				0				0
17.2 Other liability - claims-made				0				0
18.1 Products liability - occurrence				0				0
18.2 Products liability - claims-made				0				0
19.1,19.2 Private passenger auto liability				0				0
19.3,19.4 Commercial auto liability				0				0
21. Auto physical damage				0				0
22. Aircraft (all perils)				0				0
23. Fidelity				0				0
24. Surety				0				0
26. Burglary and theft				0				0
27. Boiler and machinery				0				0
28. Credit				0				0
29. International				0				0
30. Warranty				0				0
31. Reinsurance - Nonproportional Assumed Property	XXX			0	XXX			0
32. Reinsurance - Nonproportional Assumed Liability	XXX			0	XXX			0
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX			0	XXX	83,324,956		83,324,956
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0
35. TOTALS	0	0	0	0	0	83,324,956	0	83,324,956
DETAILS OF WRITE-INS								
3401.								
3402.								
3403.								
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0

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

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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 .....				.0
1.2 Reinsurance assumed .....				.0
1.3 Reinsurance ceded				0
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3) .....	.0	.0	.0	.0
2. Commission and brokerage:				
2.1 Direct, excluding contingent .....				.0
2.2 Reinsurance assumed, excluding contingent		3,954,652		3,954,652
2.3 Reinsurance ceded, excluding contingent .....				.0
2.4 Contingent-direct .....				.0
2.5 Contingent-reinsurance assumed .....				.0
2.6 Contingent-reinsurance ceded .....				.0
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) .....	.0	3,954,652	.0	3,954,652
3. Allowances to manager and agents .....				.0
4. Advertising .....				.0
5. Boards, bureaus and associations .....				.0
6. Surveys and underwriting reports .....				.0
7. Audit of assureds' records .....				.0
8. Salary and related items:				
8.1 Salaries		80,659		80,659
8.2 Payroll taxes		8,076		8,076
9. Employee relations and welfare		16,153		16,153
10. Insurance .....				.0
11. Directors' fees		15,000		15,000
12. Travel and travel items .....				.0
13. Rent and rent items		27,306		27,306
14. Equipment .....				.0
15. Cost or depreciation of EDP equipment and software .....				.0
16. Printing and stationery .....				.0
17. Postage, telephone and telegraph, exchange and express		353		353
18. Legal and auditing		367,845		367,845
19. Totals (Lines 3 to 18) .....	.0	515,392	.0	515,392
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ .....				.0
20.2 Insurance department licenses and fees		107,397		107,397
20.3 Gross guaranty association assessments		3,600		3,600
20.4 All other (excluding federal and foreign income and real estate)				0
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....	.0	110,997	.0	110,997
21. Real estate expenses .....				.0
22. Real estate taxes .....				.0
23. Reimbursements by uninsured plans .....				.0
24. Aggregate write-ins for miscellaneous expenses	0	157,403	0	157,403
25. Total expenses incurred .....	.0	4,738,444	.0 (a)	4,738,444
26. Less unpaid expenses - current year .....	.0	1,495,208	.0	1,495,208
27. Add unpaid expenses - prior year .....	.0	1,170,666	.0	1,170,666
28. Amounts receivable relating to uninsured plans, prior year .....	.0	.0	.0	.0
29. Amounts receivable relating to uninsured plans, current year	0			0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	0	4,413,902	0	4,413,902
DETAILS OF WRITE-INS				
2401. Bank Charges		152,804		152,804
2402. Dues & Subscriptions		4,457		4,457
2403. Miscellaneous Expense		142		142
2498. Summary of remaining write-ins for Line 24 from overflow page .....	.0	.0	.0	.0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	0	157,403	0	157,403

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

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a)	
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a)	
1.3 Bonds of affiliates	(a) 0	
2.1 Preferred stocks (unaffiliated)	(b) 0	
2.11 Preferred stocks of affiliates	(b) 0	
2.2 Common stocks (unaffiliated)	1,179,472	1,179,472
2.21 Common stocks of affiliates	0	
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 6,176,695	4,860,864
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	7,356,166	6,060,336
11. Investment expenses		(g)
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		0
17. Net investment income (Line 10 minus Line 16)		6,060,336
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503) plus 1598 (Line 15, above)		0

- (a) Includes \$ accrual of discount less \$ amortization of premium and less \$0 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$0 paid for accrued dividends on purchases.
- (c) Includes \$0 accrual of discount less \$0 amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 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		
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)			0		
1.3 Bonds of affiliates	0		0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans			0		
6. Cash, cash equivalents and short-term investments			0		
7. Derivative instruments			0		
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	0	0	0	0	0
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	0	0	0	0	0

NONE

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Nonadmitted Assets	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. Other invested assets (Schedule BA).....	0	0	0
8. Receivables for securities.....	0	0	0
9. Aggregate write-ins for invested assets.....	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	0	0	0
11. Title plants (for Title insurers only).....	0	0	0
12. Investment income due and accrued.....	0	0	0
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection.....	0	0	0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
13.3 Accrued retrospective premiums.....	0	0	0
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers.....	0	0	0
14.2 Funds held by or deposited with reinsured companies.....	0	0	0
14.3 Other amounts receivable under reinsurance contracts.....	0	0	0
15. Amounts receivable relating to uninsured plans.....	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon.....	0	0	0
16.2 Net deferred tax asset.....	3,346,607	915,842	(2,430,765)
17. Guaranty funds receivable or on deposit.....	0	0	0
18. Electronic data processing equipment and software.....	0	0	0
19. Furniture and equipment, including health care delivery assets.....	0	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0
21. Receivables from parent, subsidiaries and affiliates.....	0	0	0
22. Health care and other amounts receivable.....	0	0	0
23. Aggregate write-ins for other than invested assets.....	0	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	3,346,607	915,842	(2,430,765)
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
26. Total (Lines 24 and 25).....	3,346,607	915,842	(2,430,765)
DETAILS OF WRITE-INS			
0901.....			
0902.....			
0903.....			
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above).....	0	0	0
2301.....			
2302.....			
2303.....			
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above).....	0	0	0

NOTES TO FINANCIAL STATEMENTS

ATRIUM INSURANCE
Statutory Notes to Financial Statements
For the Years Ended December 31, 2008 and 2007

1. Summary of Significant Accounting Policies:

A. The financial statements of Atrium Insurance Corporation (the "Company") are presented on the basis of accounting practices prescribed or permitted by The Insurance Department of the State of New York (the "Department").

The Department recognizes only statutory accounting practices prescribed or permitted by the State of New York for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under New York State Insurance Law. The National Association of Insurance Commissioner' (NAIC) Accounting Practices and Procedures manual, version effective March 2002, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of New York.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of New York is shown below:

	December 31, 2008	December 31, 2007
(1) Net (loss) income New York state basis	\$ (10,099,043)	\$ 17,868,621
(2) State prescribed practices (Income) Depreciation of fixed assets	-	-
(3) State permitted practices (Income) Depreciation, home office property	-	-
(4) Net (loss) income, NAIC SAP	\$ (10,099,043)	\$ 17,868,621
(5) Statutory surplus New York state basis	\$ 59,507,823	\$ 82,353,197
(6) State prescribed practices (Surplus) Goodwill, net Fixed assets, net	-	-
(7) State permitted practices (Surplus) Home office property	-	-
(8) Statutory surplus, NAIC SAP	\$ 59,507,823	\$ 82,353,197

B. Management's Acknowledgement of Estimates

Management acknowledges that the preparation of the statutory statement in accordance with the Accounting Practices and Procedures Manual and Instructions requires estimates to be made by management. Actual results could differ from those estimates.

C. Material Accounting Policies

- 1) Short-term invested assets consist of six-month treasury bills carried at amortized cost. Amortization is on a straight-line basis.
- 2) Atrium does not carry bonds.
- 3) Atrium has common stock that consists of Institutional Money Market Funds that invest in Treasury bills, with weighted average maturities of 60 days or less. The investments in the funds are reported at cost.
- 4) Atrium does not invest in preferred stock.
- 5) Atrium does not carry mortgage loans.
- 6) Atrium does not carry loan-backed securities.
- 7) Atrium does not have any subsidiaries. The parent's investment is reflected in common stock at book value.
- 8) Atrium is not a party to a joint venture, partnership, or limited liability companies.
- 9) Atrium does not invest in derivatives.
- 10) Atrium receives investment income for short-term investments, as each six-month U.S. Treasury bill matures. Investment income earned on common stock (Institutional Money Market Fund investing in U.S. Treasury bills) is recorded monthly as received.
- 11) Atrium records its loss accrual based upon actuarial assumptions using historical industry loss experience, adjusted for current trends and factors that would modify past experience.
- 12) Atrium does not have a capitalization policy.
- 13) Atrium does not have pharmaceutical rebate receivables.

2. Accounting Changes and Corrections of Errors:

A. There have been no material changes in accounting principles and/or corrections of errors.

3. Business Combinations and Goodwill:

"None"

4. Discontinued Operations:

"None"

NOTES TO FINANCIAL STATEMENTS

- 5. **Investments:**
 - A. Mortgage Loans: "None"
 - B. Debt Restructuring: "None"
 - C. Reverse Mortgages: "None"
 - D. Loan-Backed Securities: "None"
 - E. Repurchase Agreements: "None"
 - F. Real Estate: "None"
 - G. Low-income housing tax credits: "None"
- 6. **Joint Ventures, Partnerships, and Limited Liability Companies:**
"None"
- 7. **Investment Income:**
Atrium does not have any uncollectible interest income.
- 8. **Derivative Instruments:**
"None"
- 9. **Income Taxes:**
 - A. The components of the net deferred tax asset are as follows:

	December 31, 2008	December 31, 2007
Total deferred tax asset	\$ 3,387,151	\$ 956,964
Nonadmitted deferred tax asset	3,346,607	915,842
Net admitted deferred tax asset	\$ 40,544	\$ 41,122

- B. Atrium has no unrecognized deferred tax liability as of December 31, 2008.
- C. The (benefit) provision for incurred income taxes on earnings for the year ended December 31, 2008 and 2007 are:

	December 31, 2008	December 31, 2007
Federal	\$ (1,697,405)	\$ 8,711,359
Foreign	-	-
	\$ (1,697,405)	\$ 8,711,359

The net change in the deferred tax asset and deferred tax liability is \$2,430,188.

- D. Reconciliation between recorded and direct calculation of incurred income tax expense and change in deferred tax asset and deferred tax liability - "None"
- E.
 - 1) Loss carry forwards - \$6,163,494
 - 2) The following are income taxes incurred in the current and prior years that will be available for recouping in the event of future net losses:
 - 2008 (current year) - \$0
 - 2007 (prior year) - \$8,711,359
- F. Atrium's federal income tax return is consolidated with the following entities, with PHH Corporation as the parent.

- | | |
|---|---|
| Atrium Insurance, Corp. | PHH Corporation |
| Axiom Financial, Inc. | PHH Corporate Services, Inc. |
| Cartus Home Loans LLC | PHH CPA, Inc. |
| Century 21 Mortgage Corporation | PHH Financial Services LLC |
| Chesapeake Finance Holding LLC | PHH Home Loans LLC |
| Chesapeake Funding LLC | PHH Market Leasing, Inc. |
| Coldwell Banker Home Loans LLC | PHH Milford Leasing, Inc. |
| Coldwell Banker Mortgage Corporation | PHH Mortgage Services Corporation |
| Dealers Holding, Inc. | PHH Mortgage Capital LLC |
| Domain Distinctive Property Finance Corporation | PHH Mortgage Corporation |
| Driversshield.com FS Corp. | PHH National Leasing, Inc. |
| Edenton Motors, Inc. | PHH Page Leasing, Inc. |
| ERA Home Loans LLC | PHH Personalseat Corporation |
| ERA Mortgage Corporation | PHH Power Leasing, Inc. |
| FAH Company, Inc. | PHH Solutions and Technologies, LLC |
| First Fleet Corporation | PHH St. Paul Leasing, Inc. |
| Haddonfield Holding, Corp. | PHH Sub 1, Inc. |
| Highlands Vehicle Solutions, Inc. | PHH Sub 2, Inc. |
| Instamortgage.com Corporation | PHH Vehicle Management Services Group LLC. |
| Logic Leasing, Inc. | PHH Vehicle Management Services, LLC (d/b/a/ PHH Arval) |

NOTES TO FINANCIAL STATEMENTS

Long Island Mortgage Group, Inc.	PHH/Paymentech LLC
MortgageSave.com Corporation	Preferred Mortgage Group LLC
NE Moves Mortgage, LLC	Preferred Service Mortgage LLC
PHH Auto Finance LLC	Raven Funding LLC
PIII Broker Partner, Corp.	RMR Financial LLC
PHH Canadian Holdings, Inc.	Speedy Title and Appraisal Review Services LLC
PHH Caribbean Leasing, Inc.	Terrapin Funding LLC
PHH Continental Leasing, LLC	VMS Holdings, LLC
PHH Corner Leasing, Inc.	Williamsburg Motors, Inc.

2) The method of allocation between the companies is subject to written agreement, which will be approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses.

10. Information Concerning Parent, Subsidiaries and Affiliates:

A, B, & C. For the year ended December 31, 2008, Atrium paid \$0 in dividends and \$9,169,918 in tax payments to PHH Corporation. There were no other transactions by Atrium of any affiliated insurer or affiliate with Atrium other than cost allocation transactions that are based upon generally accepted accounting principles.

D. At December 31, 2008, Atrium has \$107,414 due to an affiliate which was repaid in full during the first quarter of 2009. There are no amounts due from either PHH Corporation or any affiliates at December 31, 2008.

E. Atrium has made no guarantees or undertakings for the benefit of an affiliate, which result in a material contingent exposure of Atrium or any affiliated insurer's assets.

F. There were no management or service contracts or cost sharing arrangements other than service and expense allocation agreements based upon generally accepted accounting principles. Atrium is party to an Expense Allocation Agreement and a Service Allocation Agreement wherein certain goods and services are allocated among PHH Subsidiaries. Substantially all payroll and other general and administrative expenses paid were subject to these agreements. Payroll expense is allocated based upon actual time PHH Corporation employees spend performing services for Atrium.

G. As of December 31, 2008, all outstanding shares of Atrium are owned by PHH Corporation, which is domiciled in the state of New Jersey.

H. Atrium did not take a deduction from the value of an upstream intermediate or parent owned by a downstream subsidiary, controlled entity, or affiliate.

I, J, K, & L. Atrium does not hold any investments in a subsidiary, controlled entity, or affiliated entity.

11. Debt:

Atrium does not have any capital note obligations or borrowings outstanding at December 31, 2008.

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

"None"

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

1) Atrium has 1,000 shares of authorized, issued, and outstanding common stock with a par value of \$1,000 as of December 31, 2008.

2) Atrium does not have any preferred stock issued or outstanding as of December 31, 2008.

3) The maximum amount of dividends, which are non-cumulative, that can be paid by an insurance company licensed in the state of New York without prior approval of the Insurance Commissioner, is subject to restrictions relating to statutory surplus. Statutory surplus at December 31, 2008 and December 31, 2007 were \$59,507,823 and \$82,353,197, respectively.

4) Atrium did not pay any ordinary dividends in 2008.

5) The maximum amount of dividends, which are non-cumulative, that can be paid by an insurance company licensed in the state of New York without prior approval of the Insurance Commissioner, is subject to restrictions relating to statutory surplus. Statutory surplus at December 31, 2008 and December 31, 2007 were \$59,507,823 and \$82,353,197, respectively.

6) The Department has required that no company may declare or distribute any dividend to shareholders which, together with all dividends declared or distributed by it during the next preceding twelve months, exceeds the lesser of ten percent of its surplus to policyholders as shown on its latest statement on file with the Superintendent has given prior approval to a greater dividend distribution. Atrium Insurance is under the jurisdiction of New York State Insurance Department. Also, all four of Atrium's Reinsurance Agreements have minimum capital requirements.

7) Atrium Insurance is not a mutual company.

8) Atrium does not hold stock for specific purposes.

9) Atrium does not have special surplus funds.

10) Atrium establishes a statutory contingency reserve that represents 50% of earned premiums that is deducted from the surplus and recorded as a liability. The balance of the contingency reserve at December 31, 2008 was \$191,577,852. Atrium does not have a provision for reinsurance.

11) Atrium does not have any surplus notes.

12) Atrium does not have any prior quasi-reorganizations.

13) Atrium does not have any prior quasi-reorganizations.

14. Contingencies:

A. Atrium has no material contingent liabilities at December 31, 2008.

B. A contingency reserve, 50% of earned premium, is recorded for the purpose of protecting insured against the effect of adverse economic cycles. All additions to this reserve must be maintained for 10 years before being released. The contingency reserve recorded for the year ended December 31, 2008 and year ended December 31, 2007 were \$191,577,852 and \$178,832,098, respectively.

C. Atrium does not have any gain contingencies as of December 31, 2008.

NOTES TO FINANCIAL STATEMENTS

- D. Atrium does not have any claims related to extra contractual obligation and bad faith losses stemming from lawsuits.
- E. Atrium does not have any loss contingencies as of December 31, 2008. Atrium has no assets that it considers to be impaired.
15. **Leases:**
- A. Atrium leases office space at 1230 Avenue of the Americas in New York, New York. Monthly rent expense is \$2,302. Atrium signed a 24-month lease term expiring on July 31, 2010. If additional space required, the monthly rent expense would increase accordingly. Atrium does not have any purchase options, escalation clauses, and restrictions imposed by the lease agreement.
- B. Leasing does not represent a significant business activity for Atrium Insurance.
16. **Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk:**
"None"
17. **Sale, Transfer, and Servicing of Financial Assets and Extinguishments of Liabilities:**
"None"
18. **Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans:**
"None"
19. **Direct Premium Written/Produced by Managing General Agents/Third Party Administrators:**
"None"
20. **Other Items:**
- A. Extraordinary Items – "None"
- B. Trouble Debt-Restructuring – "None"
- C. Other Disclosures – Atrium elects to report rounded amounts in this statement.
- D. Atrium does not have any Uncollectible Premium Balances, Bills Receivable for Premiums, Amounts Due from Agents and Brokers, Uninsured Plans nor Retrospectively Rated Contracts.
- E. Business Interruption Insurance Recoveries – "None"
- F. State Transferable Tax Credits – "None"
- G. Hybrid Securities – "None"
- H. Subprime Mortgage Related Risk Exposure – Atrium's investments consist of U.S. Treasury Securities with weighted-average maturities of 60 days or less. Atrium does not invest directly in subprime mortgage loans nor does it hold any investments backed by subprime mortgage loans. Atrium is a monoline mortgage guaranty insurance company that provides mortgage reinsurance to certain third-party insurance companies that provide primary mortgage insurance on mortgage loans, which generally include conventional loans with an original loan amount in excess of 80% of the property's original appraised value. While Atrium does not underwrite PMI directly, it provides reinsurance that covers losses in excess of a specified percentage of the principal balance of a given pool of mortgage loans, subject to a contractual limit. In exchange for assuming a portion of the risk of loss related to the reinsured loans, Atrium receives premiums from the third-party insurance companies. The weighted-average credit score of the loans reinsured by Atrium is 705.
21. **Events Subsequent:**
"None"
22. **Reinsurance:**
- A. Unsecured Reinsurance Recoverable – "None"
- B. Reinsurance Recoverable in Dispute – "None"
- C. Reinsurance Assumed and Ceded
- (1) A ceding commission expense was recorded for the year ended December 31, 2008 in the amount of \$3,954,652.
- (2) Atrium does not collect commission on reinsurance.
- (3) Atrium did not enter into any contracts of reinsurance covering losses that have occurred prior to the inception of the contract.
- D. Uncollectible Reinsurance – "None"
- E. Commutation of Ceded Reinsurance - "None"
- F. Retroactive Reinsurance – "None"
- G. Reinsurance Accounted for as a Deposit- "None"
23. **Retrospectively Rated Contracts and Contracts Subject to Redetermination:**
"None"
24. **Changes in Incurred Losses and Loss Adjustment Expenses:**
Atrium does not have any known losses. The reserve consists of an estimate of incurred but not reported losses. The methods for making such estimates and for establishing the resulting liability are continually reviewed, and any adjustments are reflected in earnings currently. The change in the contingency reserve reflects 50% of earned premium, which accumulates for ten years, according to statutory requirements.
25. **Intercompany Pooling Arrangements:**
"None"
26. **Structured Settlements:**
"None"

NOTES TO FINANCIAL STATEMENTS

- 27. **Health Care Receivables:**
"None"
- 28. **Participating Policies:**
"None"
- 29. **Premium Deficiency Reserves:**
"None"
- 30. **High Deductibles:**
"None"
- 31. **Discontinuing of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses:**
"None"
- 32. **Asbestos/Environmental Reserves:**
"None"
- 33. **Subscriber Savings Accounts:**
"None"
- 34. **Multiple Peril Crop Insurance:**
"None"

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [] No [X]
- 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 [] NA []
- 1.3 State Regulating? New York.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2007
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2007
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 04/18/2008
- 3.4 By what department or departments? New York State Insurance Department.
- 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 [] NA [X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [X] NA []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 6.2 If yes, give full information _____
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control _____
- 7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney - in - fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney - in - fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the 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?
Beard Miller Company LLP, 320 W Market St, 6th Fl, Harrisburg, PA 17108-0625
10. 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?
Milliman Inc, 15800 Bluemound Rd, Suite 400, Brookfield, WI 53005
- 11.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 11.11 Name of real estate holding company _____
- 11.12 Number of parcels involved _____
- 11.13 Total book/adjusted carrying value \$ _____

11.2 If yes, provide explanation

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

- 12.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 12.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 12.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 12.4 If answer to (12.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] NA []
- 13.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - c. Compliance with applicable governmental laws, rules and regulations;
 - d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - e. Accountability for adherence to the code.
- 13.11 If the response to 13.1 is No, please explain:
- 13.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 13.21 If the response to 13.2 is Yes, provide information related to amendment(s).
- 13.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 13.31 If the response to 13.3 is Yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

14. 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 []
15. 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 []
16. 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 []

GENERAL INTERROGATORIES

FINANCIAL

- 17. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 18.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
 - 18.11 To directors or other officers \$
 - 18.12 To stockholders not officers \$
 - 18.13 Trustees, supreme or grand (Fraternal only) \$
- 18.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
 - 18.21 To directors or other officers \$
 - 18.22 To stockholders not officers \$
 - 18.23 Trustees, supreme or grand (Fraternal only) \$
- 19.1 Were any assets reported in the 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]
- 19.2 If yes, state the amount thereof at December 31 of the current year:
 - 19.21 Rented from others \$
 - 19.22 Borrowed from others \$
 - 19.23 Leased from others \$
 - 19.24 Other \$
- 20.1 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]
- 20.2 If answer is yes:
 - 20.21 Amount paid as losses or risk adjustment \$
 - 20.22 Amount paid as expenses \$
 - 20.23 Other amounts paid \$
- 21.1 Does the reporting entity report any amounts due from the parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 21.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$

INVESTMENT

- 22.1 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 22.3) Yes [X] No []
- 22.2 If no, give full and complete information relating thereto:
- 22.3 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 16 where this information is also provide)
- 22.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No []
- 22.5 If answer to 22.4 is YES, report amount of collateral \$
- 22.6 If answer to 22.4 is NO, report amount of collateral \$
- 23.1 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 19.1 and 22.3) Yes [] No [X]
- 23.2 If yes, state the amount thereof at December 31 of the current year:
 - 23.21 Subject to repurchase agreements \$
 - 23.22 Subject to reverse repurchase agreements \$
 - 23.23 Subject to dollar repurchase agreements \$
 - 23.24 Subject to reverse dollar repurchase agreements \$
 - 23.25 Pledged as collateral \$
 - 23.26 Placed under option agreements \$
 - 23.27 Letter stock or securities restricted as to sale \$
 - 23.28 On deposit with state or other regulatory body \$
 - 23.29 Other \$
- 23.3 For category (23.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 24.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
- 24.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] NA [X]
If no, attach a description with this statement.
- 25.1 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]
- 25.2 If yes, state the amount thereof at December 31 of the current year. \$

GENERAL INTERROGATORIES

26. 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 3, III Conducting Examinations, F - Custodial or Safekeeping agreements of the NAIC Financial Condition Examiners Handbook? Yes [] No [X]

26.01 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

26.02 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)	2 Complete Explanation(s)

26.03 Have there been any changes, including name changes, in the custodian(s) identified in 26.01 during the current year? Yes [] No [X]

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

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

26.05 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	2 Address

27.1 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]

27.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
27.2999	TOTAL	0

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

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

GENERAL INTERROGATORIES

28. 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 (+)
28.1 Bonds.....	0		0
28.2 Preferred stocks.....	0		0
28.3 Totals	0	0	0

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

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

29.2 If no, list exceptions:

OTHER

30.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$

30.2 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
.....	

31.1 Amount of payments for legal expenses, if any? \$ 45,336

31.2 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 & Flom LLP.....	45,336

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

32.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	

GENERAL INTERROGATORIES

(continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$
 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$ 0

1.6 Individual policies:
 Most current three years:
 1.61 Total premium earned \$ 0
 1.62 Total incurred claims \$ 0
 1.63 Number of covered lives 0
 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 0

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 0
 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 0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	\$ 0	\$ 0
2.2	Premium Denominator	\$ 37,926,376	\$ 32,475,586
2.3	Premium Ratio (2.1/2.2)	0.000	0.000
2.4	Reserve Numerator	\$ 0	\$ 0
2.5	Reserve Denominator	\$ 83,324,956	\$ 32,867,692
2.6	Reserve Ratio (2.4/2.5)	0.000	0.000

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

4. For Mutual reporting entities and Reciprocal Exchanges only:
 4.1 Does the reporting entity issue assessable policies? Yes [] No []
 4.2 Does the reporting entity issue non-assessable policies? Yes [] No []
 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? %
 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. \$

5. For Reciprocal Exchanges Only:
 5.1 Does the exchange appoint local agents? Yes [] No []
 5.2 If yes, is the commission paid:
 5.21 Out of Attorney's-in-fact compensation Yes [] No [] NA []
 5.22 As a direct expense of the exchange Yes [] No [] NA []

5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?
 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [] No []
 5.5 If yes, give full information

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:.....
 N/A.
- 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:.....
 Atrium assumes only Mortgage Guarantee Insurance. The majority of reserves recorded are represented by the Contingency Reserve which is calculated at 50% of earned premiums. The remaining reserves are for potential future losses and are estimated using actuarial assumptions.
- 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?.....
 N/A.
- 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 uninsured catastrophic loss.
 N/A.
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?..... Yes [] No [X]
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.....
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?..... Yes [] No []
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?..... Yes [X] No []
- 8.2 If yes, give full information
 Atrium is a reinsurer of a portion of the ultimate net losses on mortgage insurance policies underwritten by four third party ceding companies.
- 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 agreements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member, where:
 (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
 (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract..... Yes [] No [X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
 (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
 (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
 (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 30 of SSAP No. 62, 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 []
 (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 []
 (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 []
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?..... Yes [X] No [] N/A []

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force? Yes [] No [X]
 11.2 If yes, give full information
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 13.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
 12.11 Unpaid losses \$
 12.12 Unpaid underwriting expenses (including loss adjustment expenses) \$
 12.2 Of the amount on Line 13.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds? \$
 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [] No [] NA [X]
 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
 12.41 From %
 12.42 To %
 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by the 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 the current year:
 12.61 Letters of Credit \$
 12.62 Collateral and other funds \$
 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$ 712,758,444
 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. 0
 14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [] No [X]
 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [] No []
 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [] No []
 14.5 If answer to 14.4 is no, please explain:
 15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [] No [X]
 15.2 If yes, give full information
 16.1 Does the reporting entity write any warranty business? Yes [] No [X]
 If yes, disclose the following information for each of the following types of warranty coverage:

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

* Disclose type of coverage:

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F – Part 3 that it excludes from Schedule F – Part 5. Yes [] No [X]

Incurred but not reported losses on contracts not in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F – Part 5. Provide the following information for this exemption:

17.11	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5	\$
17.12	Unfunded portion of Interrogatory 17.11	\$
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$
17.14	Case reserves portion of Interrogatory 17.11	\$
17.15	Incurred but not reported portion of Interrogatory 17.11	\$
17.16	Unearned premium portion of Interrogatory 17.11	\$
17.17	Contingent commission portion of Interrogatory 17.11	\$

Provide the following information for all other amounts included in Schedule F – Part 3 and excluded from Schedule F – Part 5, not included above.

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

FIVE-YEAR HISTORICAL DATA

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

	1 2008	2 2007	3 2006	4 2005	5 2004
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	37,918,283	32,444,098	36,103,057	41,901,990	45,022,644
6. Total (Line 35)	37,918,283	32,444,098	36,103,057	41,901,990	45,022,644
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	37,918,283	32,444,098	36,103,057	41,901,990	45,022,644
12. Total (Line 35)	37,918,283	32,444,098	36,103,057	41,901,990	45,022,644
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(17,856,784)	13,112,932	29,860,635	32,059,685	34,619,578
14. Net investment gain (loss) (Line 11)	6,060,336	13,467,047	12,207,884	6,909,083	2,530,613
15. Total other income (Line 15)	0	0	0	0	0
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	(1,697,405)	8,711,359	15,069,941	13,639,069	13,001,847
18. Net income (Line 20)	(10,099,043)	17,868,621	26,998,578	25,329,699	24,148,344
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 24, Col. 3)	336,480,327	299,391,263	293,808,101	262,618,189	237,360,116
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 13.1)	12,423,405	10,626,767	11,724,716	12,358,599	13,115,378
20.2 Deferred and not yet due (Line 13.2)	0	0	0	0	0
20.3 Accrued retrospective premiums (Line 13.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 24)	276,972,504	217,038,066	198,564,601	177,011,787	172,672,434
22. Losses (Page 3, Line 1)	83,324,956	32,280,240	16,862,768	15,121,303	10,415,688
23. Loss adjustment expenses (Page 3, Line 3)	0	0	0	0	0
24. Unearned premiums (Page 3, Line 9)	579,359	587,452	618,940	695,924	783,437
25. Capital paid up (Page 3, Lines 28 & 29)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
26. Surplus as regards policyholders (Page 3, Line 35)	59,507,823	82,353,197	95,243,500	85,606,401	64,687,682
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	29,893,990	23,767,323	30,916,551	0	0
Risk-Based Capital Analysis					
28. Total adjusted capital	59,507,823	82,353,197	95,243,500	85,606,401	64,687,682
29. Authorized control level risk-based capital	14,094,527	10,421,068	9,382,353	4,783,530	5,761,380
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3)(Item divided by Page 2, Line 10, Col. 3) x 100.0					
30. Bonds (Line 1)	0.0	0.0	0.0	0.0	0.0
31. Stocks (Lines 2.1 & 2.2)	25.5	22.7	20.5	19.7	19.7
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5)	74.5	77.3	79.5	80.3	80.3
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Other invested assets (Line 7)	0.0	0.0	0.0	0.0	0.0
37. Receivables for securities (Line 8)	0.0	0.0	0.0	0.0	0.0
38. Aggregate write-ins for invested assets (Line 9)	0.0	0.0	0.0	0.0	0.0
39. Cash, cash equivalents and invested assets (Line 10)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
40. Affiliated bonds, (Sch. D, Summary, Line 25, Col. 1)	0	0	0	0	0
41. Affiliated preferred stocks (Sch. D, Summary, Line 39, Col. 1)	0	0	0	0	0
42. Affiliated common stocks (Sch. D, Summary, Line 53, Col. 1)	0	0	0	0	0
43. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
44. Affiliated mortgage loans on real estate	0	0	0	0	0
45. All other affiliated	0	0	0	0	0
46. Total of above Lines 40 to 45	0	0	0	0	0
47. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 46 above divided by Page 3, Col. 1, Line 35 x 100.0)	0.0	0.0	0.0	0.0	0.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2008	2 2007	3 2006	4 2005	5 2004
Capital and Surplus Accounts (Page 4)					
48. Net unrealized capital gains (losses) (Line 24)	0	0	0	0	0
49. Dividends to stockholders (Line 35)	0	(16,500,000)	0	(17,000,000)	0
50. Change in surplus as regards policyholders for the year (Line 38)	(22,845,374)	(12,890,303)	9,637,098	20,918,719	1,686,049
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
51. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
52. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
53. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
54. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
55. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
56. Total (Line 35)	0	0	0	0	0
Net Losses Paid (Page 9, Part 2, Col. 4)					
57. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
58. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
59. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
60. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
61. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
62. Total (Line 35)	0	0	0	0	0
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
63. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
64. Losses incurred (Line 2)	134.6	47.5	4.8	11.2	10.3
65. Loss expenses incurred (Line 3)	0.0	0.0	0.0	0.0	0.0
66. Other underwriting expenses incurred (Line 4)	12.5	12.1	12.7	12.4	12.6
67. Net underwriting gain (loss) (Line 8)	(47.1)	40.4	82.5	76.4	77.1
Other Percentages					
68. 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)	12.5	12.2	12.7	12.5	12.6
69. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	134.6	47.5	4.8	11.2	10.3
70. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 35, Col. 1 x 100.0)	63.7	39.4	37.9	48.9	69.6
One Year Loss Development (000 omitted)					
71. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Col. 11)	(32,286)	(16,863)	(15,121)	(10,416)	(5,778)
72. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 71 above divided by Page 4, Line 21, Col. 1 x 100.0)	(39.2)	(17.7)	(17.7)	(16.1)	(9.2)
Two Year Loss Development (000 omitted)					
73. 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)	(16,863)	(15,121)	(10,416)	(5,778)	(16,742)
74. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 73 above divided by Page 4, Line 21, Col. 2 x 100.0)	(17.7)	(17.7)	(16.1)	(9.2)	(32.4)

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ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

EXHIBIT OF PREMIUMS AND LOSSES (Statutory Page 14)

NAIC Group Code 0000		BUSINESS IN THE STATE OF						DURING THE YEAR 2008				NAIC Company Code 10362	
Line of Business	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies not Taken		3 Dividends Paid or Credited to Policyholders on Direct Business	4 Direct Unearned Premium Reserves	5 Direct Losses Paid (deducting salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Direct Defense and Cost Containment Expense Paid	9 Direct Defense and Cost Containment Expense Incurred	10 Direct Defense and Cost Containment Expense Unpaid	11 Commissions and Brokerage Expenses	12 Taxes, Licenses and Fees	
	1 Direct Premiums Written	2 Direct Premiums Earned											
1. Fire													
2.1 Allied lines													
2.2 Multiple peril crop													
2.3 Federal flood													
3. Farmowners multiple peril													
4. Homeowners multiple peril													
5.1 Commercial multiple peril (non-liability portion)													
5.2 Commercial multiple peril (liability portion)													
6. Mortgage guaranty													
8. Ocean marine													
9. Inland marine													
10. Financial guaranty													
11. Medical malpractice													
12. Earthquake													
13. Group accident and health (b)													
14. Credit A & H (group and individual)													
15.1 Collectively renewable A & H (b)													
15.2 Non-cancelable A & H (b)													
15.3 Guaranteed renewable A & H (b)													
15.4 Non-renewable for stated reasons only (b)													
15.5 Other accident only													
15.6 Medicare Title XVIII exempt from state taxes or fees													
15.7 All other A & H (b)													
15.8 Federal employees health benefits program premium (b)													
16. Workers' compensation													
17.1 Other liability													
17.3 Excess workers' compensation													
18. Products liability													
19.1 Private passenger auto no-fault (personal injury protection)													
19.2 Other private passenger auto liability													
19.3 Commercial auto no-fault (personal injury protection)													
19.4 Other commercial auto liability													
21.1 Private passenger auto physical damage													
21.2 Commercial auto physical damage													
22. Aircraft (all perils)													
23. Fidelity													
24. Surety													
26. Burglary and theft													
27. Boiler and machinery													
28. Credit													
30. Warranty													
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0	0	0	0	
35. TOTALS (a)	0	0	0	0	0	0	0	0	0	0	0	0	
DETAILS OF WRITE-INS													
3401													
3402													
3403													
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0	0	0	0	0	0	0	

NONE

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(a) Finance and service charges not included in Lines 1 to 35 \$ and number of persons insured under indemnity only products

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products and number of persons insured under indemnity only products

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

SCHEDULE F - PART 1

Assumed Reinsurance as of December 31, Current Year (000 Omitted)

1	2	3	4	5	Reinsurance On			9	10	11	12	13	14	15
					6	7	8							
Federal ID Number	NAIC Company Code	Name of Reinsured	Domiciliary Jurisdiction	Assumed Premium	Paid Losses and Loss Adjustment Expenses	Known Case Losses and LAE	Cols. 6 + 7	Contingent Commissions Payable	Assumed Premiums Receivable	Unearned Premium	Funds Held By or Deposited With Reinsured Companies	Letters of Credit Posted	Amount of Assets Pledged or Compensating Balances to Secure Letters of Credit	Amount of Assets Pledged or Collateral Held in Trust
42-0885398	15873	United Guaranty Residential Insurance	NC	22,908			0		7,423	214				
31-0885858	38458	Genworth Mortgage Insurance Corporation	NC	12,779			0		4,282	345				
36-3105660	40266	CMG Mortgage Insurance Company	WI	1,196			0		416	6				
23-2018130	33790	Radian Guaranty Inc.	PA	1,036			0		303	14				
0599998 - Other U.S. Unaffil Insurers - Reins Col 8 < 100,000							0							
0599999 - Total - Other U.S. Unaffiliated Insurers					37,918				12,423	579				
0699998 - Pools and Associations - Reins Col 8 < 100,000							0							
0799998 - Pools and Associations - Reins Col 8 < 100,000							0							
0999998 - Other Non-U.S. Insurers - Reins Col 8 < 100,000							0							
9999999 Totals					37,918				12,423	579				

20

Schedule F - Part 2

NONE

Schedule F - Part 3

NONE

Schedule F - Part 4

NONE

Schedule F - Part 5

NONE

Schedule F - Part 6

NONE

Schedule F - Part 7

NONE

Schedule F - Part 8

NONE

Schedule H - Part 1

NONE

Schedule H - Part 2

NONE

Schedule H - Part 3

NONE

Schedule H - Part 4

NONE

Schedule H - Part 5

NONE

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

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported - Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	0	0	0	0	0	0	0	0	XXX
2. 1999	24,541	0	24,541	0	0	0	0	0	0	0	0	XXX
3. 2000	34,588	0	34,588	0	0	0	0	0	0	0	0	XXX
4. 2001	45,675	0	45,675	0	0	0	0	0	0	0	0	XXX
5. 2002	48,172	0	48,172	0	0	0	0	0	0	0	0	XXX
6. 2003	36,684	0	36,684	0	0	0	0	0	0	0	0	XXX
7. 2004	44,925	0	44,925	0	0	0	0	0	0	0	0	XXX
8. 2005	41,990	0	41,990	0	0	0	0	0	0	0	0	XXX
9. 2006	36,180	0	36,180	0	0	0	0	0	0	0	0	XXX
10. 2007	32,476	0	32,476	0	0	0	0	0	0	0	0	XXX
11. 2008	37,926	0	37,926	0	0	0	0	0	0	0	0	XXX
12. Totals	XXX	XXX	XXX	0	0	0	0	0	0	0	0	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.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
2.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
3.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
4.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
5.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
7.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
8.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
9.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
10.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
11.	0	0	83,325	0	0	0	0	0	0	0	0	83,325	XXX
12. Totals	0	0	83,325	0	0	0	0	0	0	0	0	83,325	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	0	0
2.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
3.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
4.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
5.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
6.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
7.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
8.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
9.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
10.	0	0	0	0.0	0.0	0.0	0	0	0	0	0
11.	83,325	0	83,325	219.7	0.0	219.7	0	0	0	83,325	0
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	83,325	0

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
	1999	2000	2001	2002	2003	2004	2005	2005	2007	2008	One Year	Two Year
1. Prior	1,276	1,276	1,276	1,276	0	0	0	0	0	0	0	0
2. 1999	2,459	2,459	2,459	2,459	0	0	0	0	0	0	0	0
3. 2000	XXX	3,412	3,412	3,412	0	0	0	0	0	0	0	0
4. 2001	XXX	XXX	4,655	4,655	0	0	0	0	0	0	0	0
5. 2002	XXX	XXX	XXX	4,940	0	0	0	0	0	0	0	0
6. 2003	XXX	XXX	XXX	XXX	5,778	0	0	0	0	0	0	0
7. 2004	XXX	XXX	XXX	XXX	XXX	10,416	0	0	0	0	0	0
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	15,121	0	0	0	0	0
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	16,863	0	0	0	(16,863)
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	32,280	0	(32,280)	XXX
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	83,325	XXX	XXX
										12. Totals	(32,280)	(16,863)

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
	1999	2000	2001	2002	2003	2004	2005	2005	2007	2008		
1. Prior	000	0	0	0	0	0	0	0	0	0	XXX	XXX
2. 1999	0	0	0	0	0	0	0	0	0	0	XXX	XXX
3. 2000	XXX	0	0	0	0	0	0	0	0	0	XXX	XXX
4. 2001	XXX	XXX	0	0	0	0	0	0	0	0	XXX	XXX
5. 2002	XXX	XXX	XXX	0	0	0	0	0	0	0	XXX	XXX
6. 2003	XXX	XXX	XXX	XXX	0	0	0	0	0	0	XXX	XXX
7. 2004	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	XXX	XXX
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	XXX	XXX
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	XXX	XXX
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	XXX
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
1. Prior	1,276	1,276	1,276	1,276	0	0	0	0	0	0
2. 1999	2,459	2,459	2,459	2,459	0	0	0	0	0	0
3. 2000	XXX	3,412	3,412	3,412	0	0	0	0	0	0
4. 2001	XXX	XXX	4,655	4,655	0	0	0	0	0	0
5. 2002	XXX	XXX	XXX	4,940	0	0	0	0	0	0
6. 2003	XXX	XXX	XXX	XXX	5,778	0	0	0	0	0
7. 2004	XXX	XXX	XXX	XXX	XXX	10,416	0	0	0	0
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	15,121	0	0	0
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	16,863	0	0
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	32,280	0
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	83,325

Schedule P - Part 1A - Home/Farm

NONE

Schedule P - Part 1B - Private Passenger

NONE

Schedule P - Part 1C - Comm Auto/Truck

NONE

Schedule P - Part 1D - Workers' Comp

NONE

Schedule P - Part 1E - Comm Multi Peril

NONE

Schedule P - Part 1F - Medical Mal Occur

NONE

Schedule P - Part 1F - Medical Mal Claim

NONE

Schedule P - Part 1G - Special Liability

NONE

Schedule P - Part 1H - Other Liab Occur

NONE

Schedule P - Part 1H - Other Liab Claims

NONE

Schedule P - Part 1I - Special Property

NONE

Schedule P - Part 1J - Auto Physical

NONE

Schedule P - Part 1K - Fidelity/Surety

NONE

Schedule P - Part 1L - Other

NONE

Schedule P - Part 1M - International

NONE

Schedule P - Part 1N - Reinsurance A

NONE

Schedule P - Part 1O - Reinsurance B

NONE

SCHEDULE P - PART 1P - REINSURANCE - NONPROPORTIONAL ASSUMED FINANCIAL LINES

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments						12 Number of Claims Reported - Direct and Assumed		
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments			10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	0	0	0	0	0	0	0	0	XXX
2. 1999	24,541	0	24,541	0	0	0	0	0	0	0	0	XXX
3. 2000	34,588	0	34,588	0	0	0	0	0	0	0	0	XXX
4. 2001	45,675	0	45,675	0	0	0	0	0	0	0	0	XXX
5. 2002	48,172	0	48,172	0	0	0	0	0	0	0	0	XXX
6. 2003	36,684	0	36,684	0	0	0	0	0	0	0	0	XXX
7. 2004	44,925	0	44,925	0	0	0	0	0	0	0	0	XXX
8. 2005	41,990	0	41,990	0	0	0	0	0	0	0	0	XXX
9. 2006	36,180	0	36,180	0	0	0	0	0	0	0	0	XXX
10. 2007	32,476	0	32,476	0	0	0	0	0	0	0	0	XXX
11. 2008	37,926	0	37,926	0	0	0	0	0	0	0	0	XXX
12. Totals	XXX	XXX	XXX	0	0	0	0	0	0	0	0	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.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
2.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
3.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
4.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
5.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
7.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
8.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
9.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
10.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
11.	0	0	83,325	0	0	0	0	0	0	0	0	83,325	XXX
12.	0	0	83,325	0	0	0	0	0	0	0	0	83,325	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
2.	0	0	0	0.0	0.0	0.0	0	0	0.0	0	0
3.	0	0	0	0.0	0.0	0.0	0	0	0.0	0	0
4.	0	0	0	0.0	0.0	0.0	0	0	0.0	0	0
5.	0	0	0	0.0	0.0	0.0	0	0	0.0	0	0
6.	0	0	0	0.0	0.0	0.0	0	0	0.0	0	0
7.	0	0	0	0.0	0.0	0.0	0	0	0.0	0	0
8.	0	0	0	0.0	0.0	0.0	0	0	0.0	0	0
9.	0	0	0	0.0	0.0	0.0	0	0	0.0	0	0
10.	0	0	0	0.0	0.0	0.0	0	0	0.0	0	0
11.	83,325	0	83,325	219.7	0.0	219.7	0	0	0.0	83,325	0
12.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	83,325	0

Schedule P - Part 1R - Prod Liab Occur

NONE

Schedule P - Part 1R - Prod Liab Claims

NONE

Schedule P - Part 1S-Fin./Mtg. Guaranty

NONE

Schedule P - Part 1T - Warranty

NONE

Schedule P - Part 2A

NONE

Schedule P - Part 2B

NONE

Schedule P - Part 2C

NONE

Schedule P - Part 2D

NONE

Schedule P - Part 2E

NONE

Schedule P - Part 2F - Medical Mal Occur

NONE

Schedule P - Part 2F - Medical Mal Claim

NONE

Schedule P - Part 2G

NONE

Schedule P - Part 2H - Other Liab Occur

NONE

Schedule P - Part 2H - Other Liab Claim

NONE

Schedule P - Part 2I

NONE

Schedule P - Part 2J

NONE

Schedule P - Part 2K

NONE

Schedule P - Part 2L

NONE

Schedule P - Part 2M

NONE

SCHEDULE P - PART 2N - REINSURANCE

Nonproportional Assumed Property

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1 1999	2 2000	3 2001	4 2002	5 2003	6 2004	7 2005	8 2006	9 2007	10 2008	11 One Year	12 Two Year
1. Prior	0	0	0	0	0	0	0	0	0	0	0	0
2. 1999	0	0	0	0	0	0	0	0	0	0	0	0
3. 2000	XXX	0	0	0	0	0	0	0	0	0	0	0
4. 2001	XXX	XXX	0	0	0	0	0	0	0	0	0	0
5. 2002	XXX	XXX	XXX	0	0	0	0	0	0	0	0	0
6. 2003	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0	0
7. 2004	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	XXX
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX
12. Totals											0	0

SCHEDULE P - PART 2O - REINSURANCE

Nonproportional Assumed Liability

1. Prior	0	0	0	0	0	0	0	0	0	0	0	0
2. 1999	0	0	0	0	0	0	0	0	0	0	0	0
3. 2000	XXX	0	0	0	0	0	0	0	0	0	0	0
4. 2001	XXX	XXX	0	0	0	0	0	0	0	0	0	0
5. 2002	XXX	XXX	XXX	0	0	0	0	0	0	0	0	0
6. 2003	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0	0
7. 2004	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0	0
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0	0
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	XXX
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	XXX	XXX
12. Totals											0	0

SCHEDULE P - PART 2P - REINSURANCE

Nonproportional Assumed Financial Lines

1. Prior	1,276	1,276	1,276	1,276	0	0	0	0	0	0	0	0
2. 1999	2,459	2,459	2,459	2,459	0	0	0	0	0	0	0	0
3. 2000	XXX	3,412	3,412	3,412	0	0	0	0	0	0	0	0
4. 2001	XXX	XXX	4,655	4,655	0	0	0	0	0	0	0	0
5. 2002	XXX	XXX	XXX	4,940	0	0	0	0	0	0	0	0
6. 2003	XXX	XXX	XXX	XXX	5,778	0	0	0	0	0	0	0
7. 2004	XXX	XXX	XXX	XXX	XXX	10,416	0	0	0	0	0	0
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	15,121	0	0	0	0	0
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	16,863	0	0	0	(16,863)
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	32,280	0	(32,280)	XXX
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	83,325	XXX	XXX
12. Totals											(32,280)	(16,863)

Schedule P - Part 2R - Prod Liab Occur

NONE

Schedule P - Part 2R - Prod Liab Claims

NONE

Schedule P - Part 2S

NONE

Schedule P - Part 2T

NONE

Schedule P - Part 3A

NONE

Schedule P - Part 3B

NONE

Schedule P - Part 3C

NONE

Schedule P - Part 3D

NONE

Schedule P - Part 3E

NONE

Schedule P - Part 3F - Medical Mal Occur

NONE

Schedule P - Part 3F - Medical Mal Claim

NONE

Schedule P - Part 3G

NONE

Schedule P - Part 3H - Other Liab Occur

NONE

Schedule P - Part 3H - Other Liab Claims

NONE

Schedule P - Part 3I

NONE

Schedule P - Part 3J

NONE

Schedule P - Part 3K

NONE

Schedule P - Part 3L

NONE

Schedule P - Part 3M

NONE

Schedule P - Part 3N

NONE

Schedule P - Part 3O

NONE

Schedule P - Part 3P

NONE

Schedule P - Part 3R - Prod Liab Occur

NONE

Schedule P - Part 3R - Prod Liab Claims

NONE

Schedule P - Part 3S

NONE

Schedule P - Part 3T

NONE

Schedule P - Part 4A

NONE

Schedule P - Part 4B

NONE

Schedule P - Part 4C

NONE

Schedule P - Part 4D

NONE

Schedule P - Part 4E

NONE

Schedule P - Part 4F - Medical Mal Occur

NONE

Schedule P - Part 4F - Medical Mal Claim

NONE

Schedule P - Part 4G

NONE

Schedule P - Part 4H - Other Liab Occur

NONE

Schedule P - Part 4H - Other Liab Claims

NONE

Schedule P - Part 4I - Special Property

NONE

Schedule P - Part 4J

NONE

Schedule P - Part 4K

NONE

Schedule P - Part 4L

NONE

Schedule P - Part 4M

NONE

SCHEDULE P - PART 4N - REINSURANCE

Nonproportional Assumed Property

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 1999	2 2000	3 2001	4 2002	5 2003	6 2004	7 2005	8 2006	9 2007	10 2008
1. Prior	0	0	0	0	0	0	0	0	0	0
2. 1999	0	0	0	0	0	0	0	0	0	0
3. 2000	XXX	0	0	0	0	0	0	0	0	0
4. 2001	XXX	XXX	0	0	0	0	0	0	0	0
5. 2002	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2003	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2004	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
9. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

SCHEDULE P - PART 4O - REINSURANCE

Nonproportional Assumed Liability

1. Prior	0	0	0	0	0	0	0	0	0	0
2. 1999	0	0	0	0	0	0	0	0	0	0
3. 2000	XXX	0	0	0	0	0	0	0	0	0
4. 2001	XXX	XXX	0	0	0	0	0	0	0	0
5. 2002	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2003	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2004	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
9. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

SCHEDULE P - PART 4P - REINSURANCE

Nonproportional Assumed Financial Lines

1. Prior	1,276	1,276	1,276	1,276	0	0	0	0	0	0
2. 1999	2,459	2,459	2,459	2,459	0	0	0	0	0	0
3. 2000	XXX	3,412	3,412	3,412	0	0	0	0	0	0
4. 2001	XXX	XXX	4,655	4,655	0	0	0	0	0	0
5. 2002	XXX	XXX	XXX	4,940	0	0	0	0	0	0
6. 2003	XXX	XXX	XXX	XXX	5,778	0	0	0	0	0
7. 2004	XXX	XXX	XXX	XXX	XXX	10,416	0	0	0	0
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	15,121	0	0	0
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	16,853	0	0
9. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	32,280	0
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	83,325

Schedule P - Part 4R - Prod Liab Occur

NONE

Schedule P - Part 4R - Prod Liab Claims

NONE

Schedule P - Part 4S

NONE

Schedule P - Part 4T

NONE

Schedule P - Part 5A- SN1

NONE

Schedule P - Part 5A- SN2

NONE

Schedule P - Part 5A- SN3

NONE

Schedule P - Part 5B- SN1

NONE

Schedule P - Part 5B- SN2

NONE

Schedule P - Part 5B- SN3

NONE

Schedule P - Part 5C- SN1

NONE

Schedule P - Part 5C- SN2

NONE

Schedule P - Part 5C- SN3

NONE

Schedule P - Part 5D- SN1

NONE

Schedule P - Part 5D- SN2

NONE

Schedule P - Part 5D- SN3

NONE

Schedule P - Part 5E- SN1

NONE

Schedule P - Part 5E- SN2

NONE

Schedule P - Part 5E- SN3

NONE

Schedule P - Part 5F- SN1A

NONE

Schedule P - Part 5F- SN2A

NONE

Schedule P - Part 5F- SN3A

NONE

Schedule P - Part 5F- SN1B

NONE

Schedule P - Part 5F- SN2B

NONE

Schedule P - Part 5F- SN3B

NONE

Schedule P - Part 5H- SN1A

NONE

Schedule P - Part 5H- SN2A

NONE

Schedule P - Part 5H- SN3A

NONE

Schedule P - Part 5H- SN1B

NONE

Schedule P - Part 5H- SN2B

NONE

Schedule P - Part 5H- SN3B

NONE

Schedule P - Part 5R- SN1A

NONE

Schedule P - Part 5R- SN2A

NONE

Schedule P - Part 5R- SN3A

NONE

Schedule P - Part 5R- SN1B

NONE

Schedule P - Part 5R- SN2B

NONE

Schedule P - Part 5R- SN3B

NONE

Schedule P - Part 5T- SN1

NONE

Schedule P - Part 5T- SN2

NONE

Schedule P - Part 5T- SN3

NONE

Schedule P - Part 6C - SN1

NONE

Schedule P - Part 6C - SN2

NONE

Schedule P - Part 6D - SN1

NONE

Schedule P - Part 6D - SN2

NONE

Schedule P - Part 6E - SN1

NONE

Schedule P - Part 6E - SN2

NONE

Schedule P - Part 6H - SN1A

NONE

Schedule P - Part 6H - SN2A

NONE

Schedule P - Part 6H - SN1B

NONE

Schedule P - Part 6H - SN2B

NONE

Schedule P - Part 6M - SN1

NONE

Schedule P - Part 6M - SN2

NONE

Schedule P - Part 6N - SN1

NONE

Schedule P - Part 6N - SN2

NONE

Schedule P - Part 6O - SN1

NONE

Schedule P - Part 6O - SN2

NONE

Schedule P - Part 6R - SN1A

NONE

Schedule P - Part 6R - SN2A

NONE

Schedule P - Part 6R - SN1B

NONE

Schedule P - Part 6R - SN2B

NONE

Schedule P - Part 7A - Section 1

NONE

Schedule P - Part 7A - Section 2

NONE

Schedule P - Part 7A - Section 3

NONE

Schedule P - Part 7A - Section 4

NONE

Schedule P - Part 7A - Section 5

NONE

SCHEDULE P - PART 7B - REINSURANCE LOSS SENSITIVE CONTRACTS
 (\$'000 OMITTED)

SECTION 1

Schedule P - Part 1	1 Total Net Losses and Expenses Unpaid	2 Net Losses and Expenses Unpaid on Loss Sensitive Contracts	3 Loss Sensitive as Percentage of Total	4 Total Net Premiums Written	5 Net Premiums Written on Loss Sensitive Contracts	6 Loss Sensitive as Percentage of Total
1. Homeowners/Farmowners	0		0.0	0		0.0
2. Private Passenger Auto Liability/Medical	0		0.0	0		0.0
3. Commercial Auto/Truck Liability/Medical	0		0.0	0		0.0
4. Workers' Compensation	0		0.0	0		0.0
5. Commercial Multiple Peril	0		0.0	0		0.0
6. Medical Malpractice - Occurrence	0		0.0	0		0.0
7. Medical Malpractice - Claims-Made	0		0.0	0		0.0
8. Special Liability	0		0.0	0		0.0
9. Other Liability - Occurrence	0		0.0	0		0.0
10. Other Liability - Claims-Made	0		0.0	0		0.0
11. Special Property	0		0.0	0		0.0
12. Auto Physical Damage	0		0.0	0		0.0
13. Fidelity/Surety	0		0.0	0		0.0
14. Other	0		0.0	0		0.0
15. International	0		0.0	0		0.0
16. Reinsurance - Nonproportional Assumed Property	0		0.0	0		0.0
17. Reinsurance - Nonproportional Assumed Liability	0		0.0	0		0.0
18. Reinsurance - Nonproportional Assumed Financial Lines	83,325		0.0	37,918		0.0
19. Products Liability - Occurrence	0		0.0	0		0.0
20. Products Liability - Claims-Made	0		0.0	0		0.0
21. Financial Guaranty/Mortgage Guaranty	0		0.0	0		0.0
22. Warranty	0		0.0	0		0.0
23. Totals	83,325	0	0.0	37,918	0	0.0

SECTION 2

Years in Which Policies Were Issued	INCURRED LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$'000 OMITTED)									
	1 1999	2 2000	3 2001	4 2002	5 2003	6 2004	7 2005	8 2006	9 2007	10 2008
1. Prior	0	0	0	0	0	0	0	0	0	0
2. 1999	0	0	0	0	0	0	0	0	0	0
3. 2000	XXX	0	0	0	0	0	0	0	0	0
4. 2001	XXX	XXX	0	0	0	0	0	0	0	0
5. 2002	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2003	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2004	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

SECTION 3

Years in Which Policies Were Issued	BULK AND INCURRED BUT NOT REPORTED RESERVES FOR LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES AT YEAR END (\$'000 OMITTED)									
	1 1999	2 2000	3 2001	4 2002	5 2003	6 2004	7 2005	8 2006	9 2007	10 2008
1. Prior	0	0	0	0	0	0	0	0	0	0
2. 1999	0	0	0	0	0	0	0	0	0	0
3. 2000	XXX	0	0	0	0	0	0	0	0	0
4. 2001	XXX	XXX	0	0	0	0	0	0	0	0
5. 2002	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2003	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2004	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

SCHEDULE P - PART 7B - REINSURANCE LOSS SENSITIVE CONTRACTS
(continued)

SECTION 4

Years in Which Policies Were Issued	NET EARNED PREMIUMS REPORTED AT YEAR END (\$000 OMITTED)									
	1 1999	2 2000	3 2001	4 2002	5 2003	6 2004	7 2005	8 2006	9 2007	10 2008
1. Prior	0	0	0	0	0	0	0	0	0	0
2. 1999	0	0	0	0	0	0	0	0	0	0
3. 2000	XXX	0	0	0	0	0	0	0	0	0
4. 2001	XXX	XXX	0	0	0	0	0	0	0	0
5. 2002	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2003	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2004	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

SECTION 5

Years in Which Policies Were Issued	NET RESERVE FOR PREMIUM ADJUSTMENTS AND ACCRUED RETROSPECTIVE PREMIUMS AT YEAR END (\$000 OMITTED)									
	1 1999	2 2000	3 2001	4 2002	5 2003	6 2004	7 2005	8 2006	9 2007	10 2008
1. Prior	0	0	0	0	0	0	0	0	0	0
2. 1999	0	0	0	0	0	0	0	0	0	0
3. 2000	XXX	0	0	0	0	0	0	0	0	0
4. 2001	XXX	XXX	0	0	0	0	0	0	0	0
5. 2002	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2003	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2004	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

SECTION 6

Years in Which Policies Were Issued	INCURRED ADJUSTABLE COMMISSIONS REPORTED AT YEAR END (\$000 OMITTED)									
	1 1999	2 2000	3 2001	4 2002	5 2003	6 2004	7 2005	8 2006	9 2007	10 2008
1. Prior	0	0	0	0	0	0	0	0	0	0
2. 1999	0	0	0	0	0	0	0	0	0	0
3. 2000	XXX	0	0	0	0	0	0	0	0	0
4. 2001	XXX	XXX	0	0	0	0	0	0	0	0
5. 2002	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2003	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2004	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

SECTION 7

Years in Which Policies Were Issued	RESERVES FOR COMMISSION ADJUSTMENTS AT YEAR END (\$000 OMITTED)									
	1 1999	2 2000	3 2001	4 2002	5 2003	6 2004	7 2005	8 2006	9 2007	10 2008
1. Prior	0	0	0	0	0	0	0	0	0	0
2. 1999	0	0	0	0	0	0	0	0	0	0
3. 2000	XXX	0	0	0	0	0	0	0	0	0
4. 2001	XXX	XXX	0	0	0	0	0	0	0	0
5. 2002	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2003	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2004	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2005	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2006	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
10. 2007	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2008	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

SCHEDULE P INTERROGATORIES

1. The following questions relate to yet-to-be-issued Extended Reporting Endorsements (EREs) arising from Death, Disability, or Retirement (DDR) provisions in Medical Malpractice Claims Made insurance policies. EREs provided for reasons other than DDR are not to be included.
- 1.1 Does the company issue Medical Malpractice Claims Made insurance policies that provide tail (also known as an extended reporting endorsement, or "ERE") benefits in the event of Death, Disability, or Retirement (DDR) at a reduced charge or at no additional cost? Yes [] No [X]
 If the answer to question 1.1 is "no", leave the following questions blank. If the answer to question 1.1 is "Yes", please answer the following questions:
- 1.2 What is the total amount of the reserve for that provision (DDR Reserve), as reported, explicitly or not, elsewhere in this statement (in dollars)?
- 1.3 Does the company report any DDR reserve as Unearned Premium Reserve per SSAP #65? Yes [] No []
- 1.4 Does the company report any DDR reserve as loss or loss adjustment expense reserve? Yes [] No []
- 1.5 If the company reports DDR reserve as Unearned Premium Reserve, does that amount match the figure on the Underwriting and Investment Exhibit, Part 1A – Recapitulation of all Premiums (Page 7) Column 2, Lines 11.1 plus 11.2? Yes [] No []
- 1.6 If the company reports DDR reserve as loss or loss adjustment expense reserve, please complete the following table corresponding to where these reserves are reported in Schedule P:

Years in Which Premiums Were Earned and Losses Were Incurred	DDR Reserve Included in Schedule P, Part 1F, Medical Malpractice Column 24: Total Net Losses and Expenses Unpaid	
	1	2
	Section 1: Occurrence	Section 2: Claims-Made
1.601 Prior		
1.602 1999		
1.603 2000		
1.604 2001		
1.605 2002		
1.606 2003		
1.607 2004		
1.608 2005		
1.609 2006		
1.610 2007		
1.611 2008		
1.612 Totals	0	0

2. The definition of allocated loss adjustment expenses (ALAE) and, therefore, unallocated loss adjustment expenses (ULAE) was changed effective January 1, 1998. This change in definition applies to both paid and unpaid expenses. Are these expenses (now reported as "Defense and Cost Containment" and "Adjusting and Other") reported in compliance with these definitions in this statement? Yes [X] No []
3. The Adjusting and Other expense payments and reserves should be allocated to the years in which the losses were incurred based on the number of claims reported, closed and outstanding in those years. When allocating Adjusting and Other expense between companies in a group or a pool, the Adjusting and Other expense should be allocated in the same percentage used for the loss amounts and the claim counts. For reinsurers, Adjusting and Other expense assumed should be reported according to the reinsurance contract. For Adjusting and Other expense incurred by reinsurers, or in those situations where suitable claim count information is not available, Adjusting and Other expense should be allocated by a reasonable method determined by the company and described in Interrogatory 7, below. Are they so reported in this Statement? Answer: Yes [X] No []
4. Do any lines in Schedule P include reserves that are reported gross of any discount to present value of future payments, and that are reported net of such discounts on Page 10? Yes [] No [X]
- If Yes, proper disclosure must be made in the Notes to Financial Statements, as specified in the Instructions. Also, the discounts must be reported in Schedule P - Part 1, Columns 32 and 33.
- Schedule P must be completed gross of non-tabular discounting. Work papers relating to discount calculations must be available for examination upon request.
- Discounting is allowed only if expressly permitted by the state insurance department to which this Annual Statement is being filed.
5. What were the net premiums in force at the end of the year for:
 (in thousands of dollars)
- 5.1 Fidelity
- 5.2 Surety
6. Claim count information is reported per claim or per claimant (Indicate which)
- If not the same in all years, explain in Interrogatory 7.
- 7.1 The information provided in Schedule P will be used by many persons to estimate the adequacy of the current loss and expense reserves, among other things. Are there any especially significant events, coverage, retention or accounting changes that have occurred that must be considered when making such analyses? Yes [] No [X]
- 7.2 An extended statement may be attached.

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

		Allocated by States and Territories								
States, etc.	Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)	
		2 Direct Premiums Written	3 Direct Premiums Earned							
1. Alabama	AL	N	0	0	0	0	0	0	0	
2. Alaska	AK	N	0	0	0	0	0	0	0	
3. Arizona	AZ	N	0	0	0	0	0	0	0	
4. Arkansas	AR	N	0	0	0	0	0	0	0	
5. California	CA	N	0	0	0	0	0	0	0	
6. Colorado	CO	N	0	0	0	0	0	0	0	
7. Connecticut	CT	N	0	0	0	0	0	0	0	
8. Delaware	DE	N	0	0	0	0	0	0	0	
9. District of Columbia	DC	N	0	0	0	0	0	0	0	
10. Florida	FL	N	0	0	0	0	0	0	0	
11. Georgia	GA	N	0	0	0	0	0	0	0	
12. Hawaii	HI	N	0	0	0	0	0	0	0	
13. Idaho	ID	N	0	0	0	0	0	0	0	
14. Illinois	IL	N	0	0	0	0	0	0	0	
15. Indiana	IN	N	0	0	0	0	0	0	0	
16. Iowa	IA	N	0	0	0	0	0	0	0	
17. Kansas	KS	N	0	0	0	0	0	0	0	
18. Kentucky	KY	N	0	0	0	0	0	0	0	
19. Louisiana	LA	N	0	0	0	0	0	0	0	
20. Maine	ME	N	0	0	0	0	0	0	0	
21. Maryland	MD	N	0	0	0	0	0	0	0	
22. Massachusetts	MA	N	0	0	0	0	0	0	0	
23. Michigan	MI	N	0	0	0	0	0	0	0	
24. Minnesota	MN	N	0	0	0	0	0	0	0	
25. Mississippi	MS	N	0	0	0	0	0	0	0	
26. Missouri	MO	N	0	0	0	0	0	0	0	
27. Montana	MT	N	0	0	0	0	0	0	0	
28. Nebraska	NE	N	0	0	0	0	0	0	0	
29. Nevada	NV	N	0	0	0	0	0	0	0	
30. New Hampshire	NH	N	0	0	0	0	0	0	0	
31. New Jersey	NJ	N	0	0	0	0	0	0	0	
32. New Mexico	NM	N	0	0	0	0	0	0	0	
33. New York	NY	L	0	0	0	0	0	0	0	
34. North Carolina	NC	N	0	0	0	0	0	0	0	
35. North Dakota	ND	N	0	0	0	0	0	0	0	
36. Ohio	OH	N	0	0	0	0	0	0	0	
37. Oklahoma	OK	N	0	0	0	0	0	0	0	
38. Oregon	OR	N	0	0	0	0	0	0	0	
39. Pennsylvania	PA	N	0	0	0	0	0	0	0	
40. Rhode Island	RI	N	0	0	0	0	0	0	0	
41. South Carolina	SC	N	0	0	0	0	0	0	0	
42. South Dakota	SD	N	0	0	0	0	0	0	0	
43. Tennessee	TN	N	0	0	0	0	0	0	0	
44. Texas	TX	N	0	0	0	0	0	0	0	
45. Utah	UT	N	0	0	0	0	0	0	0	
46. Vermont	VT	N	0	0	0	0	0	0	0	
47. Virginia	VA	N	0	0	0	0	0	0	0	
48. Washington	WA	N	0	0	0	0	0	0	0	
49. West Virginia	WV	N	0	0	0	0	0	0	0	
50. Wisconsin	WI	N	0	0	0	0	0	0	0	
51. Wyoming	WY	N	0	0	0	0	0	0	0	
52. American Samoa	AS	N	0	0	0	0	0	0	0	
53. Guam	GU	N	0	0	0	0	0	0	0	
54. Puerto Rico	PR	N	0	0	0	0	0	0	0	
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0	0	
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0	0	
57. Canada	CN	N	0	0	0	0	0	0	0	
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	
59. Totals	(a)	1	0	0	0	0	0	0	0	
DETAILS OF WRITE-INS										
5801.	XXX									
5802.	XXX									
5803.	XXX									
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 through 5803 + 5898) (Line 58 above)	XXX	0	0	0	0	0	0	0	0	

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

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

Atrium Insurance Corporation is a primary mortgage reinsurer licensed in the State of New York and does not write direct insurance.

**SCHEDULE T – PART 2
INTERSTATE COMPACT – EXHIBIT OF PREMIUMS WRITTEN**

Allocated by States and Territories

States, Etc.		Direct Business Only					Totals
		1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit Type Contracts	
1. Alabama	AL						0
2. Alaska	AK						0
3. Arizona	AZ						0
4. Arkansas	AR						0
5. California	CA						0
6. Colorado	CO						0
7. Connecticut	CT						0
8. Delaware	DE						0
9. District of Columbia	DC						0
10. Florida	FL						0
11. Georgia	GA						0
12. Hawaii	HI						0
13. Idaho	ID						0
14. Illinois	IL						0
15. Indiana	IN						0
16. Iowa	IA						0
17. Kansas	KS						0
18. Kentucky	KY						0
19. Louisiana	LA						0
20. Maine	ME						0
21. Maryland	MD						0
22. Massachusetts	MA						0
23. Michigan	MI						0
24. Minnesota	MN						0
25. Mississippi	MS						0
26. Missouri	MO						0
27. Montana	MT						0
28. Nebraska	NE						0
29. Nevada	NV						0
30. New Hampshire	NH						0
31. New Jersey	NJ						0
32. New Mexico	NM						0
33. New York	NY						0
34. North Carolina	NC						0
35. North Dakota	ND						0
36. Ohio	OH						0
37. Oklahoma	OK						0
38. Oregon	OR						0
39. Pennsylvania	PA						0
40. Rhode Island	RI						0
41. South Carolina	SC						0
42. South Dakota	SD						0
43. Tennessee	TN						0
44. Texas	TX						0
45. Utah	UT						0
46. Vermont	VT						0
47. Virginia	VA						0
48. Washington	WA						0
49. West Virginia	WV						0
50. Wisconsin	WI						0
51. Wyoming	WY						0
52. American Samoa	AS						0
53. Guam	GU						0
54. Puerto Rico	PR						0
55. U.S. Virgin Islands	VI						0
56. Northern Mariana Islands	MP						0
57. Canada	CN						0
58. Aggregate Other Alien	OT						0
59. Totals		0	0	0	0	0	0

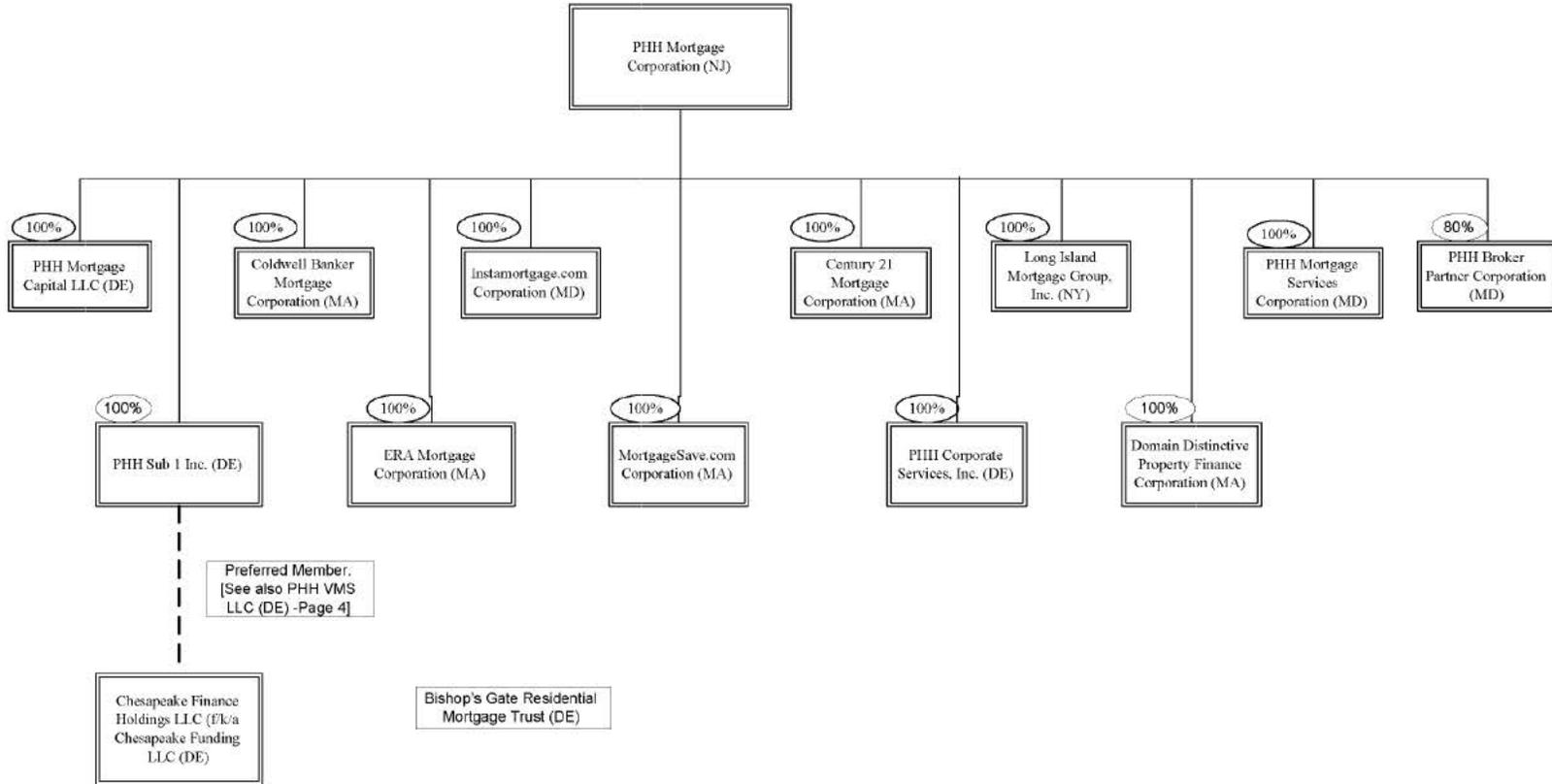
NONE

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

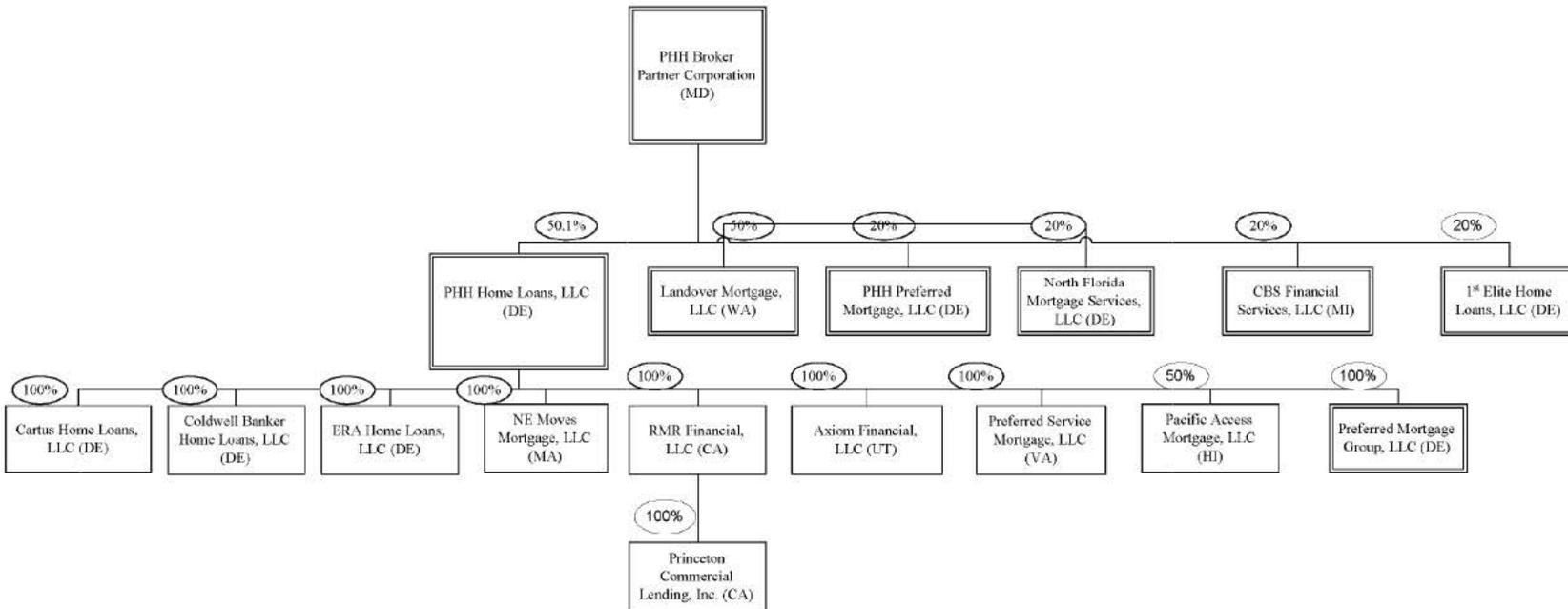
94



ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



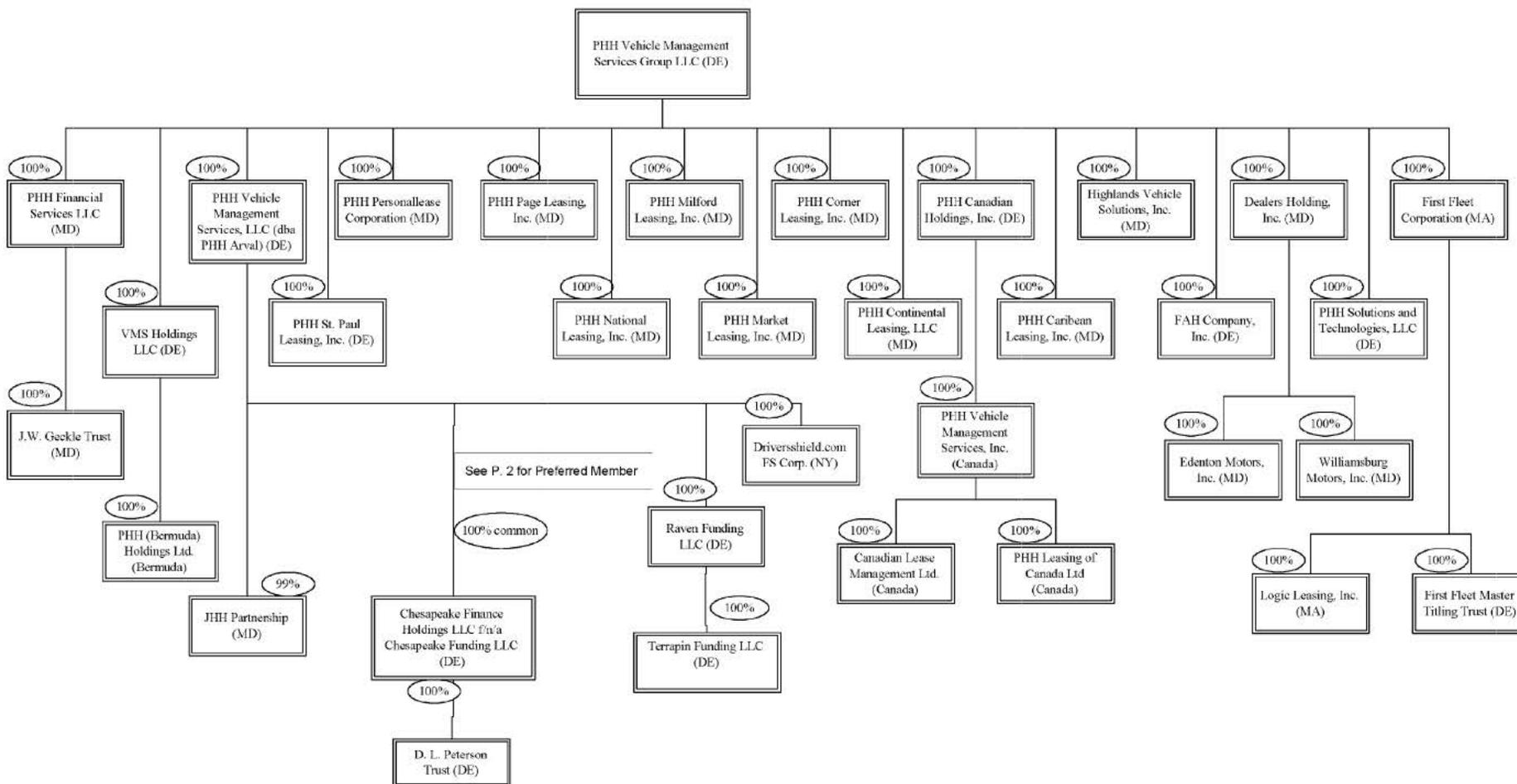
94.1

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

94.2



ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

SCHEDULE Y
PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	Federal ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
NONE												
9999999 Control Totals			0	0	0	0	0	0	XXX	0	0	0

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SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of **WAIVED** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

MARCH FILING

RESPONSES

- 1. Will an actuarial opinion be filed by March 1?YES.....
- 2. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?YES.....
- 3. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1?YES.....
- 4. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1?YES.....

APRIL FILING

- 5. Will the Insurance Expense Exhibit be filed with the state of domicile and the NAIC by April 1?YES.....
- 6. Will Management's Discussion and Analysis be filed by April 1?YES.....
- 7. Will the Supplemental Investment Risk Interrogatories be filed by April 1?YES.....

MAY FILING

- 8. Will this company be included in a combined annual statement which is filed with the NAIC by May 1?WAIVED.....

JUNE FILING

- 9. Will an audited financial report be filed by June 1?YES.....

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

MARCH FILING

- 10. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?NO.....
- 11. Will the Financial Guaranty Insurance Exhibit be filed March 1?NO.....
- 12. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?NO.....
- 13. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed by March 1?NO.....
- 14. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1?NO.....
- 15. Will the Premiums Attributed to Protected Cells Exhibit be filed by March 1?NO.....
- 16. Will the Reinsurance Summary Supplemental Filing for General Interrogatory 9 be filed with the state of domicile and the NAIC by March 1?NO.....
- 17. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?NO.....
- 18. Will the confidential Actuarial Opinion Summary be filed with the state of domicile, if required by March 15 (or the date otherwise specified)?YES.....
- 19. Will the Reinsurance Attestation Supplement be filed with the state of domicile and the NAIC by March 1?YES.....
- 20. Will the Exceptions to the Reinsurance Attestation Supplement be filed with the state of domicile by March 1?NO.....

APRIL FILING

- 21. Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1?NO.....
- 22. Will the Long-term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?NO.....
- 23. Will the Accident and Health Policy Experience Exhibit be filed by April 1?NO.....

Explanation:

- 10.
- 11.
- 12.
- 13.

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

- 14.
- 15.
- 16.
- 17.
- 20.
- 21.
- 22.
- 23.

Bar Code:

- 8. * 10362200820100000 *
- 10. * 10362200842000000 *
- 11. * 10362200824000000 *
- 12. * 10362200836059000 *
- 13. * 10362200845500000 *
- 14. * 10362200849000000 *
- 15. * 10362200838500000 *
- 16. * 10362200840100000 *
- 17. * 10362200836500000 *
- 20. * 10362200840000000 *
- 21. * 10362200823059000 *
- 22. * 10362200833059000 *
- 23. * 10362200821000000 *

OVERFLOW PAGE FOR WRITE-INS

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities		0.000		0.000
1.2 U.S. government agency obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies		0.000		0.000
1.22 Issued by U.S. government sponsored agencies		0.000		0.000
1.3 Foreign government (including Canada, excluding mortgage-backed securities)		0.000		0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations		0.000		0.000
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations		0.000		0.000
1.43 Revenue and assessment obligations		0.000		0.000
1.44 Industrial development and similar obligations		0.000		0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Issued or guaranteed by GNMA		0.000		0.000
1.512 Issued or guaranteed by FNMA and FHLMC		0.000		0.000
1.513 All other		0.000		0.000
1.52 CMOs and REMICs:				
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA		0.000		0.000
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521		0.000		0.000
1.523 All other		0.000		0.000
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVC)		0.000		0.000
2.2 Unaffiliated foreign securities		0.000		0.000
2.3 Affiliated securities		0.000		0.000
3. Equity interests:				
3.1 Investments in mutual funds		0.000		0.000
3.2 Preferred stocks:				
3.21 Affiliated		0.000		0.000
3.22 Unaffiliated		0.000		0.000
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated		0.000		0.000
3.32 Unaffiliated		0.000	80,523,484	25.454
3.4 Other equity securities:				
3.41 Affiliated		0.000		0.000
3.42 Unaffiliated		0.000		0.000
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated		0.000		0.000
3.52 Unaffiliated		0.000		0.000
4. Mortgage loans:				
4.1 Construction and land development		0.000		0.000
4.2 Agricultural		0.000		0.000
4.3 Single family residential properties		0.000		0.000
4.4 Multifamily residential properties		0.000		0.000
4.5 Commercial loans		0.000		0.000
4.6 Mezzanine real estate loans		0.000		0.000
5. Real estate investments:				
5.1 Property occupied by the company		0.000	0	0.000
5.2 Property held for the production of income (including \$ of property acquired in satisfaction of debt)		0.000	0	0.000
5.3 Property held for sale (including \$ property acquired in satisfaction of debt)		0.000	0	0.000
6. Contract loans		0.000	0	0.000
7. Receivables for securities		0.000	0	0.000
8. Cash, cash equivalents and short-term investments		0.000	235,822,398	74.546
9. Other invested assets		0.000		0.000
10. Total invested assets	0	0.000	316,345,881	100.000

SI01

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

1. Book/adjusted carrying value, December 31 of prior year.....	0
2. Cost of acquired:	
2.1 Actual cost at time of acquisition (Part 2, Column 6).....	0
2.2 Additional investment made after acquisition (Part 2, Column 9).....	0
3. Current year change in encumbrances:	
3.1 Totals, Part 1, Column 13.....	0
3.2 Totals, Part 3, Column 11.....	0
4. Total gain (loss) on disposals, Part 3, Column 18.....	0
5. Deduct amounts received on disposals, Part 3, Column 15.....	0
6. Total foreign exchange change in book/adjusted carrying value:	
6.1 Totals, Part 1, Column 15.....	0
6.2 Totals, Part 3, Column 13.....	0
7. Deduct current year's other than temporary impairment recognized:	
7.1 Totals, Part 1, Column 12.....	0
7.2 Totals, Part 3, Column 10.....	0
8. Deduct current year's depreciation:	
8.1 Totals, Part 1, Column 11.....	0
8.2 Totals, Part 3, Column 9.....	0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8).....	0
10. Deduct total nonadmitted amounts.....	0
11. Statement value at end of current period (Line 9 minus Line 10).....	0

NONE

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0
2. Cost of acquired:	
2.1 Actual cost at time of acquisition (Part 2, Column 7).....	0
2.2 Additional investment made after acquisition (Part 2, Column 8).....	0
3. Capitalized deferred interest and other:	
3.1 Totals, Part 1, Column 12.....	0
3.2 Totals, Part 3, Column 11.....	0
4. Accrual of discount.....	0
5. Unrealized valuation increase (decrease):	
5.1 Totals, Part 1, Column 9.....	0
5.2 Totals, Part 3, Column 8.....	0
6. Total gain (loss) on disposals, Part 3, Column 18.....	0
7. Deduct amounts received on disposals, Part 3, Column 15.....	0
8. Deduct amortization of premium and mortgage interest points and commitment fees.....	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest:	
9.1 Totals, Part 1, Column 13.....	0
9.2 Totals, Part 3, Column 13.....	0
10. Deduct current year's other than temporary impairment recognized:	
10.1 Totals, Part 1, Column 11.....	0
10.2 Totals, Part 3, Column 10.....	0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0
12. Total valuation allowance.....	0
13. Subtotal (Line 11 plus Line 12).....	0
14. Deduct total nonadmitted amounts.....	0
15. Statement value at end of current period (Line 13 minus Line 14).....	0

NONE

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Other Long-Term Invested Assets

1. Book/adjusted carrying value, December 31 of prior year	0
2. Cost of acquired:	
2.1 Actual cost at time of acquisition (Part 2, Column 8)	0
2.2 Additional investment made after acquisition (Part 2, Column 9)	0
3. Capitalized deferred interest and other:	
3.1 Totals, Part 1, Column 16	0
3.2 Totals, Part 3, Column 12	0
4. Accrual of discount	
5. Unrealized valuation increase (decrease):	
5.1 Totals, Part 1, Column 13	0
5.2 Totals, Part 3, Column 9	0
6. Total gain (loss) on disposals, Part 3, Column 19	0
7. Deduct amounts received on disposals, Part 3, Column 16	0
8. Deduct amortization of premium and depreciation	
9. Total foreign exchange change in book/adjusted carrying value:	
9.1 Totals, Part 1, Column 17	0
9.2 Totals, Part 3, Column 14	0
10. Deduct current year's other than temporary impairment recognized:	
10.1 Totals, Part 1, Column 15	0
10.2 Totals, Part 3, Column 11	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0
12. Deduct total nonadmitted amounts	
13. Statement value at end of current period (Line 11 minus Line 12)	0

NONE

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1. Book/adjusted carrying value, December 31 of prior year	64,893,359
2. Cost of bonds and stocks acquired, Column 7, Part 3	15,630,125
3. Accrual of discount	0
4. Unrealized valuation increase (decrease):	
4.1 Column 12, Part 1	0
4.2 Column 15, Part 2, Section 1	0
4.3 Column 13, Part 2, Section 2	0
4.4 Column 11, Part 4	0
5. Total gain (loss) on disposals, Column 19, Part 4	0
6. Deduction consideration for bonds and stocks disposed of, Column 7, Part 4	0
7. Deduct amortization of premium	0
8. Total foreign exchange change in book/adjusted carrying value:	
8.1 Column 15, Part 1	0
8.2 Column 19, Part 2, Section 1	0
8.3 Column 16, Part 2, Section 2	0
8.4 Column 15, Part 4	0
9. Deduct current year's other than temporary impairment recognized:	
9.1 Column 14, Part 1	0
9.2 Column 17, Part 2, Section 1	0
9.3 Column 14, Part 2, Section 2	0
9.4 Column 13, Part 4	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8-9)	80,523,484
11. Deduct total nonadmitted amounts	
12. Statement value at end of current period (Line 10 minus Line 11)	80,523,484

Schedule D - Part 1A - Section 1

NONE

Schedule D - Part 1A - Section 2

NONE

SI05, 1, 2, SI08, SI9, SI10

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

SCHEDULE DA - VERIFICATION BETWEEN YEARS

Short-Term Investments					
	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets(a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year.....	155,983,532	0	0	155,983,532	0
2. Cost of short-term investments acquired	349,524,626			349,524,626	
3. Accrual of discount.....	0				
4. Unrealized valuation increase (decrease).....	0				
5. Total gain (loss) on disposals.....	0				
6. Deduct consideration received on disposals.....	324,874,648			324,874,648	
7. Deduct amortization of premium.....	0				
8. Total foreign exchange change in book/adjusted carrying value.....	0				
9. Deduct current year's other than temporary impairment recognized.....	0				
10. Book adjusted carrying value at end of current period (Lines 1-2+3+4+5-6-7+8-9).....	180,633,510	0	0	180,633,510	0
11. Deduct total nonadmitted amounts.....	0				
12. Statement value at end of current period (Line 10 minus Line 11)	180,633,510	0	0	180,633,510	0

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

SI11

Schedule DB - Part A - VBY

NONE

Schedule DB - Part B - VBY

NONE

Schedule DB - Part C - VBY

NONE

Schedule DB - Part D - VBY

NONE

Schedule DB - Part E - VBY

NONE

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule E - Verification

NONE

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NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

Schedule D - Part 1

NONE

Schedule D - Part 2 - Section 1

NONE

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

SCHEDULE D - PART 2 - SECTION 2

Showing all COMMON STOCKS Owned December 31 of Current Year

1 CUSIP Identification	2 Description	3 Codes		5 Number of Shares	6 Book / Adjusted Carrying Value	7 Fair Value			9 Actual Cost	10 Dividends		11 Change in Book / Adjusted Carrying Value				17 NAIC Market Indicator (e)	18 Date Acquired
		3 Code	4 Foreign			7 Rate per Share Used To Obtain Fair Value	8 Fair Value	10 Declared But Unpaid		11 Amount Received During Year	12 Nonadmitted Declared But Unpaid	13 Unrealized Valuation Increase / (Decrease)	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Change in B./A.C.V. (13 - 14)	16 Total Foreign Exchange Change in B./A.C.V.		
339992-76-0	Fidelity Treasury II MKT #686 Class 3			80,523,493.510	80,523,484	1.000	80,523,484	80,523,484		1,179,472						XXX	12/02/2008
739999 - Total	Common Stocks - Mutual Funds				80,523,484	XXX	80,523,484	80,523,484		1,179,472						XXX	XXX
729999 Total - Common Stocks					80,523,484	XXX	80,523,484	80,523,484		1,179,472						XXX	XXX
739999 Total - Preferred and Common Stocks					80,523,484	XXX	80,523,484	80,523,484		1,179,472						XXX	XXX

(a) For all common stocks bearing the NAIC market indicator "U" provide: the number of such issues , the total \$ value (included in Column 6) of all such issues \$

E12

Schedule D - Part 4

NONE

Schedule D - Part 5

NONE

Schedule D - Part 6 - Section 1

NONE

Schedule D - Part 6 - Section 2

NONE

E14, E15, E16

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

SCHEDULE DA - PART 1

Showing all SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1	Codes		4	5	6	7	Change In Book/Adjusted Carrying Value					12	13	Interest					20	
	2	3					8	9	10	11	14			15	16	17	18	19		
Description	Code	Foreign	Date Acquired	Name of Vendor	Maturity Date	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization) / Accretion	Current Years Other Than Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Par Value	Actual Cost	Amount Due And Accrued Dec. 31 of Current Year On Bond Not In Default	Non-Admitted Due and Accrued	Rate of	Effective Rate of	When Paid	Amount Received During Year	Paid for Accrued Interest	
549999 - Total - Issuer Obligations						.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX	XXX	XXX	.0	.0	
609999 - Total - Bonds						.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX	XXX	XXX	.0	.0	
United States Treasury Bill			07/10/2008	U.S. Government	01/08/2009	843,758					843,758	843,758	843,758			2.000	BAT			
United States Treasury Bill			07/31/2008	U.S. Government	01/29/2009	10,732,799					10,732,799	10,732,799	10,732,799			1.900	BAT			
United States Treasury Bill			08/07/2008	U.S. Government	12/05/2009	23,455,445					23,455,445	23,455,445	23,455,445			1.900	BAT			
United States Treasury Bill			10/02/2008	U.S. Government	04/02/2009	5,034,224					5,034,224	5,034,224	5,034,224			1.400	BAT			
United States Treasury Bill			11/09/2008	U.S. Government	05/07/2009	4,466,799					4,466,799	4,466,799	4,466,799			1.000	BAT			
United States Treasury Bill			11/13/2008	U.S. Government	05/14/2009	5,928,553					5,928,553	5,928,553	5,928,553			1.000	BAT			
United States Treasury Bill			12/11/2008	U.S. Government	06/11/2009	20,171,591					20,171,591	20,171,591	20,171,591			0.200	BAT			
Other			12/31/2008			740					740	740	740							
819999 - Total - Other						180,633,510					180,633,510	180,633,510	180,633,510		XXX	XXX	XXX			
829999 Totals						180,633,510	0	0	0	0	180,633,510	180,633,510	180,633,510	963,877	0	XXX	XXX	XXX	0	0

E17

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part A - Section 2

NONE

Schedule DB - Part A - Section 3

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part B - Section 2

NONE

Schedule DB - Part B - Section 3

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Part C - Section 3

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DB - Part D - Section 3

NONE

Schedule DB - Part E - Section 1

NONE

E23, E24

ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year	
NONE								
8799999 Totals						0	0	0

E26

SCHEDULE E PART 3 - SPECIAL DEPOSITS

States, Etc.	1 Type of Deposits	2 Purpose of Deposits	Deposits For		All Other Special Deposits	
			3 The Benefit of All Policyholders Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
1. Alabama AL						
2. Alaska AK						
3. Arizona AZ						
4. Arkansas AR						
5. California CA						
6. Colorado CO						
7. Connecticut CT						
8. Delaware DE						
9. District of Columbia DC						
10. Florida FL						
11. Georgia GA						
12. Hawaii HI						
13. Idaho ID						
14. Illinois IL						
15. Indiana IN						
16. Iowa IA						
17. Kansas KS						
18. Kentucky KY						
19. Louisiana LA						
20. Maine ME						
21. Maryland MD						
22. Massachusetts MA						
23. Michigan MI						
24. Minnesota MN						
25. Mississippi MS						
26. Missouri MO						
27. Montana MT						
28. Nebraska NE						
29. Nevada NV						
30. New Hampshire NH						
31. New Jersey NJ						
32. New Mexico NM						
33. New York NY	ST	Investment in 6-month treasury bills and short-term securities in Money Market Funds			261,156,994	261,156,994
34. North Carolina NC						
35. North Dakota ND						
36. Ohio OH						
37. Oklahoma OK						
38. Oregon OR						
39. Pennsylvania PA						
40. Rhode Island RI						
41. South Carolina SC						
42. South Dakota SD						
43. Tennessee TN						
44. Texas TX						
45. Utah UT						
46. Vermont VT						
47. Virginia VA						
48. Washington WA						
49. West Virginia WV						
50. Wisconsin WI						
51. Wyoming WY						
52. American Samoa AS						
53. Guam GU						
54. Puerto Rico PR						
55. US Virgin Islands VI						
56. Northern Mariana Islands MP						
57. Canada CN						
58. Aggregate Other Alien OT	XXX	XXX	0	0	0	0
59. Total	XXX	XXX	0	0	261,156,994	261,156,994
DETAILS OF WRITE-INS						
5801.						
5802.						
5803.						
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	XXX	0	0	0	0
5899. Totals (Lines 5801 - 5803 + 5898)(Line 58 above)	XXX	XXX	0	0	0	0

Accident and Health Policy Exp. Exhibit

NONE

AHPEE - Part 1 Summary

NONE

AHPEE - Part 2 Summary

NONE

AHPEE - Part 3 Summary

NONE

AHPEE - Part 4 Summary

NONE

10362200823000000

SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

CREDIT INSURANCE EXPERIENCE EXHIBIT

For the Year Ended December 31, 2008

(To Be Filed By April 1)

Address (City, State and Zip Code) New York, NY 10020

NAIC Group Code 0000

NAIC Company Code 10362

Employer's I.D. Number 52-1936400

Direct Business in the State of

Does the company have credit insurance in this state? Yes [] No []

SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

PART 2A - CREDIT ACCIDENT AND HEALTH INSURANCE

	Single Premium - Closed-End						
	1 7 Day Retro	2 14 Day Retro	3 14 Day Non-Retro	4 30 Day Retro	5 30 Day Non-Retro	6 Other (a)	7 Total
1. Earned Premiums:							
1.1 Gross written premiums							0
1.2 Refunds on terminations							0
1.3 Net written premiums (Lines 1.1 - 1.2)	0	0	0	0	0	0	0
1.4 Premium reserves, start of period	0	0	0	0	0	0	0
1.5 Premium reserves, end of period							0
1.6 Actual earned premiums (Lines 1.3 + 1.4 - 1.5)	0	0	0	0	0	0	0
1.7 Earned premiums at prima facie rates							0
2. Incurred Claims:							
2.1 Claims paid							0
2.2 Unreported claim reserve, start of period	0	0	0	0	0	0	0
2.3 Unreported claim reserve, end of period							0
2.4 Claim reserves, start of period	0	0	0	0	0	0	0
2.5 Claim reserves, end of period							0
2.6 Incurred claims (Lines 2.1 - 2.2 + 2.3 - 2.4 + 2.5)	0	0	0	0	0	0	0
3. Incurred Compensation:							
3.1 Commissions and service fees incurred							0
3.2 Other incurred compensation							0
3.3 Total incurred compensation (Lines 3.1 + 3.2)	0	0	0	0	0	0	0
3.4 Commissions/service fee percentage (Lines 3.1/1.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3.5 Other incurred compensation percentage (Lines 3.2/1.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4. Loss Percentage:							
4.1 Actual loss percentage (Lines 2.6/1.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4.2 Loss percentage at prima facie rates (Lines 2.6/1.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0

NONE

(a) Provide a description of "other" coverages (including their percent of Line 1.6, Column 6):

230

SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

PART 2B - CREDIT ACCIDENT AND HEALTH INSURANCE

	Monthly Outstanding Balance - Closed-End						
	1 7 Day Retro	2 14 Day Retro	3 14 Day Non-Retro	4 30 Day Retro	5 30 Day Non-Retro	6 Other (a)	7 Total
1. Earned Premiums:							
1.1 Gross written premiums							0
1.2 Refunds on terminations							0
1.3 Net written premiums (Lines 1.1 - 1.2)	0	0	0	0	0	0	0
1.4 Premium reserves, start of period	0	0	0	0	0	0	0
1.5 Premium reserves, end of period							0
1.6 Actual earned premiums (Lines 1.3 + 1.4 - 1.5)							0
1.7 Earned premiums at prima facie rates							0
2. Incurred Claims:							
2.1 Claims paid							0
2.2 Unreported claim reserve, start of period	0	0	0	0	0	0	0
2.3 Unreported claim reserve, end of period							0
2.4 Claim reserves, start of period	0	0	0	0	0	0	0
2.5 Claim reserves, end of period							0
2.6 Incurred claims (Lines 2.1 - 2.2 + 2.3 - 2.4 + 2.5)	0	0	0	0	0	0	0
3. Incurred Compensation:							
3.1 Commissions and service fees incurred							0
3.2 Other incurred compensation							0
3.3 Total incurred compensation (Lines 3.1 + 3.2)	0	0	0	0	0	0	0
3.4 Commissions/service fee percentage (Lines 3.1/1.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3.5 Other incurred compensation percentage (Lines 3.2/1.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4. Loss Percentage:							
4.1 Actual loss percentage (Lines 2.6/1.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4.2 Loss percentage at prima facie rates (Lines 2.6/1.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0

NONE

(a) Provide a description of "other" coverages (including their percent of Line 1.6, Column 6):

230

SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

PART 4 - CREDIT PROPERTY INSURANCE

	1 Creditor Placed Home – Single Interest	2 Creditor Placed Home – Dual Interest	3 Creditor Placed Auto – Single Interest	4 Creditor Placed Auto – Dual Interest	5 Personal Property – Single Interest	6 Personal Property – Dual Interest	7 Other (a)
1. Eamed Premiums:							
1.1 Gross written premiums							
1.2 Refunds on terminations							
1.3 Net written premiums (Lines 1.1 - 1.2)	0	0	0	0	0	0	0
1.4 Premium reserves, start of period	0	0	0	0	0	0	0
1.5 Premium reserves, end of period							
1.6 Actual earned premiums (Lines 1.3 + 1.4 - 1.5)	0	0	0	0	0	0	0
1.7 Earned premiums at prima facie rates							
2. Incurred Claims:							
2.1 Claims paid							
2.2 Total claim reserves, start of period	0	0	0	0	0	0	0
2.3 Total claim reserves, end of period							
2.4 Incurred claims (Lines 2.1 - 2.2 + 2.3)	0	0	0	0	0	0	0
3. Incurred Compensation:							
3.1 Commissions and service fees incurred							
3.2 Other incurred compensation							
3.3 Total incurred compensation (Lines 3.1 + 3.2)	0	0	0	0	0	0	0
3.4 Commissions/service fee percentage (Lines 3.1/1.3)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3.5 Other incurred compensation percentage (Lines 3.2/1.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4. Loss Percentage:							
4.1 Actual loss percentage (Lines 2.4/1.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4.2 Loss percentage at prima facie rates (Lines 2.4/1.7)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5. Incurred Loss Adjustment Expense :							
5.1 Defense and cost containment expenses incurred							
5.2 Adjusting and other expenses incurred							

NONE

(a) Provide a description of "other" coverages (including their percent of Line 1.6, Column 7):

230

SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

PART 5 – OTHER CREDIT INSURANCE

	1 Credit Family Leave	2 Personal GAP	3 All Other (a)
NONE			
1. Earned Premiums:			
1.1 Gross written premiums			
1.2 Refunds on terminations			
1.3 Net written premiums (Lines 1.1 - 1.2)	0	0	0
1.4 Premium reserves, start of period	0	0	0
1.5 Premium reserves, end of period			
1.6 Actual earned premiums (Lines 1.3 + 1.4 - 1.5)	0	0	0
1.7 Earned premiums at prima facie rates			
2. Incurred Claims:			
2.1 Claims paid			
2.2 Total claim reserves, start of period	0	0	0
2.3 Total claim reserves, end of period			
2.4 Incurred claims (Lines 2.1 - 2.2 + 2.3)	0	0	0
3. Incurred Compensation:			
3.1 Commissions and service fees incurred			
3.2 Other incurred compensation			
3.3 Total incurred compensation (Lines 3.1 + 3.2)	0	0	0
3.4 Commissions/service fee percentage (Lines 3.1/1.3)	0.0	0.0	0.0
3.5 Other incurred compensation percentage (Lines 3.2/1.6)	0.0	0.0	0.0
4. Loss Percentage:			
4.1 Actual loss percentage (Lines 2.4/1.6)	0.0	0.0	0.0
4.2 Loss percentage at prima facie rates (Lines 2.4/1.7)	0.0	0.0	0.0

(a) Provide a description of "other" coverages (including their percent of Line 1.6, Column 3):

230

SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

PART 6 – NATIONWIDE CREDIT PROPERTY PREMIUMS AND UNDERWRITING EXPENSES

	1 Creditor Placed Home	2 Creditor Placed Auto	3 Personal Property	4 Other (a)
NONE				
1. Premiums:				
1.1 Direct written premiums				
1.2 Direct earned premiums				
2. Underwriting expenses incurred:				
2.1 Commissions and brokerage expenses incurred				
2.2 Taxes, licenses and fees incurred				
2.3 Other acquisitions, field supervision and collection expenses incurred				
2.4 General expenses incurred				

(a) Provide a description of "other" coverages (including their percent of Line 1.2, Column 4):

230-9

10362200824000100

SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

FINANCIAL GUARANTY INSURANCE EXHIBIT

For the Year Ended December 31, 2008

(To Be Filed by March 1)

NAIC Group Code	0000	NAIC Company Code	10362	Employer's I.D. Number	52-1936400
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PART 1

Showing Total Net Exposures (Principal & Interest) By Year Payable
On Municipal Bond Guaranties In Force As Of Year End

Year Payable	1		Industrial Development Bonds			6 Totals
	Municipal Obligation Bonds	Special Revenue Bonds	3 Type I	4 Type II	5 Type III	
1. 2009						0
2. 2010						0
3. 2011						0
4. 2012						0
5. 2013						0
6. 2014						0
7. 2015						0
8. 2016						0
9. 2017						0
10. 2018						0
11. 2019						0
12. 2020						0
13. 2021						0
14. 2022						0
15. 2023						0
16. 2024 - 28						0
17. 2029 - 33						0
18. 2034+						0
19. Totals	0	0	0	0	0	0

NONE

PART 2

Showing Total Net Exposures (Principal & Interest) By Year Payable
On Non-Municipal Bond Guaranties In Force As Of Year End

Year Payable	Corporate Obligations			4 Cons Debt Obligation	5 Pass Thru Securities	6 Ltd Partnerships	7 Other Non-Investment Grade Obligations	8 All Other Guaranties	9 Totals
	1 Type I	2 Type II	3 Type III						
1. 2009									0
2. 2010									0
3. 2011									0
4. 2012									0
5. 2013									0
6. 2014									0
7. 2015									0
8. 2016									0
9. 2017									0
10. 2018									0
11. 2019									0
12. 2020									0
13. 2021									0
14. 2022									0
15. 2023									0
16. 2024 - 28									0
17. 2029 - 33									0
18. 2034+									0
19. Totals	0	0	0	0	0	0	0	0	0

NONE

CONTINGENCY RESERVE FOR MUNICIPAL OBLIGATIONS

PART 3A

MUNICIPAL OBLIGATION BONDS

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.			.0					.0
2. 2008 I.P.			.0					.0
3. 2007 S.P.	.0	.0	.0		.0			.0
4. 2007 I.P.	.0	.0	.0		.0			.0
5. 2006 S.P.	.0	.0	.0		.0			.0
6. 2006 I.P.	.0	.0	.0		.0			.0
7. 2005 S.P.	.0	.0	.0		.0			.0
8. 2005 I.P.	.0	.0	.0		.0			.0
9. 2004 S.P.	.0	.0	.0		.0			.0
10. 2004 I.P.	.0	.0	.0		.0			.0
11. 2003 S.P.	.0	.0	.0		.0			.0
12. 2003 I.P.	.0	.0	.0		.0			.0
13. 2002 S.P.	.0	.0	.0		.0			.0
14. 2002 I.P.	.0	.0	.0		.0			.0
15. 2001 S.P.	.0	.0	.0		.0			.0
16. 2001 I.P.	.0	.0	.0		.0			.0
17. 2000 S.P.	.0	.0	.0		.0			.0
18. 2000 I.P.	.0	.0	.0		.0			.0
19. 1999 S.P.	.0	.0	.0		.0			.0
20. 1999 I.P.	.0	.0	.0		.0			.0
21. 1998 S.P.	.0	.0	.0		.0			.0
22. 1998 I.P.	.0	.0	.0		.0			.0
23. 1997 S.P.	.0	.0	.0		.0			.0
24. 1997 I.P.	.0	.0	.0		.0			.0
25. 1996 S.P.	.0	.0	.0		.0			.0
26. 1996 I.P.	.0	.0	.0		.0			.0
27. 1995 S.P.	.0	.0	.0		.0			.0
28. 1995 I.P.	.0	.0	.0		.0			.0
29. 1994 S.P.	.0	.0	.0		.0			.0
30. 1994 I.P.	.0	.0	.0		.0			.0
31. 1993 S.P.	.0	.0	.0		.0			.0
32. 1993 I.P.	.0	.0	.0		.0			.0
33. 1992 S.P.	.0	.0	.0		.0			.0
34. 1992 I.P.	.0	.0	.0		.0			.0
35. 1991 S.P.	.0	.0	.0		.0			.0
36. 1991 I.P.	.0	.0	.0		.0			.0
37. 1990 S.P.	.0	.0	.0		.0			.0
38. 1990 I.P.	.0	.0	.0		.0			.0
39. 1989 S.P.	.0	.0	.0		.0			.0
40. 1989 I.P.	.0	.0	.0		.0			.0
41. Prior to 1989 S.P.	.0	.0	.0		.0			.0
42. Prior to 1989 I.P.	.0	.0	.0		.0			.0
43. Totals	0	0	0	0	0	0	0	0

NONE

S.P. = Single Premiums

I.P. = Installment Premiums

CONTINGENCY RESERVE FOR MUNICIPAL OBLIGATIONS

PART 3B

SPECIAL REVENUE BONDS

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.			.0					.0
2. 2008 I.P.			.0					.0
3. 2007 S.P.	.0	.0	.0		.0			.0
4. 2007 I.P.	.0	.0	.0		.0			.0
5. 2006 S.P.	.0	.0	.0		.0			.0
6. 2006 I.P.	.0	.0	.0		.0			.0
7. 2005 S.P.	.0	.0	.0		.0			.0
8. 2005 I.P.	.0	.0	.0		.0			.0
9. 2004 S.P.	.0	.0	.0		.0			.0
10. 2004 I.P.	.0	.0	.0		.0			.0
11. 2003 S.P.	.0	.0	.0		.0			.0
12. 2003 I.P.	.0	.0	.0		.0			.0
13. 2002 S.P.	.0	.0	.0		.0			.0
14. 2002 I.P.	.0	.0	.0		.0			.0
15. 2001 S.P.	.0	.0	.0		.0			.0
16. 2001 I.P.	.0	.0	.0		.0			.0
17. 2000 S.P.	.0	.0	.0		.0			.0
18. 2000 I.P.	.0	.0	.0		.0			.0
19. 1999 S.P.	.0	.0	.0		.0			.0
20. 1999 I.P.	.0	.0	.0		.0			.0
21. 1998 S.P.	.0	.0	.0		.0			.0
22. 1998 I.P.	.0	.0	.0		.0			.0
23. 1997 S.P.	.0	.0	.0		.0			.0
24. 1997 I.P.	.0	.0	.0		.0			.0
25. 1996 S.P.	.0	.0	.0		.0			.0
26. 1996 I.P.	.0	.0	.0		.0			.0
27. 1995 S.P.	.0	.0	.0		.0			.0
28. 1995 I.P.	.0	.0	.0		.0			.0
29. 1994 S.P.	.0	.0	.0		.0			.0
30. 1994 I.P.	.0	.0	.0		.0			.0
31. 1993 S.P.	.0	.0	.0		.0			.0
32. 1993 I.P.	.0	.0	.0		.0			.0
33. 1992 S.P.	.0	.0	.0		.0			.0
34. 1992 I.P.	.0	.0	.0		.0			.0
35. 1991 S.P.	.0	.0	.0		.0			.0
36. 1991 I.P.	.0	.0	.0		.0			.0
37. 1990 S.P.	.0	.0	.0		.0			.0
38. 1990 I.P.	.0	.0	.0		.0			.0
39. 1989 S.P.	.0	.0	.0		.0			.0
40. 1989 I.P.	.0	.0	.0		.0			.0
41. Prior to 1989 S.P.	.0	.0	.0		.0			.0
42. Prior to 1989 I.P.	.0	.0	.0		.0			.0
43. Totals	0	0	0	0	0	0	0	0

NONE

S.P. = Single Premiums

I.P. = Installment Premiums

CONTINGENCY RESERVE FOR MUNICIPAL OBLIGATIONS

PART 3C

INDUSTRIAL DEVELOPMENT BONDS - TYPE I

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.			.0					.0
2. 2008 I.P.			.0					.0
3. 2007 S.P.	.0	.0	.0		.0			.0
4. 2007 I.P.	.0	.0	.0		.0			.0
5. 2006 S.P.	.0	.0	.0		.0			.0
6. 2006 I.P.	.0	.0	.0		.0			.0
7. 2005 S.P.	.0	.0	.0		.0			.0
8. 2005 I.P.	.0	.0	.0		.0			.0
9. 2004 S.P.	.0	.0	.0		.0			.0
10. 2004 I.P.	.0	.0	.0		.0			.0
11. 2003 S.P.	.0	.0	.0		.0			.0
12. 2003 I.P.	.0	.0	.0		.0			.0
13. 2002 S.P.	.0	.0	.0		.0			.0
14. 2002 I.P.	.0	.0	.0		.0			.0
15. 2001 S.P.	.0	.0	.0		.0			.0
16. 2001 I.P.	.0	.0	.0		.0			.0
17. 2000 S.P.	.0	.0	.0		.0			.0
18. 2000 I.P.	.0	.0	.0		.0			.0
19. 1999 S.P.	.0	.0	.0		.0			.0
20. 1999 I.P.	.0	.0	.0		.0			.0
21. 1998 S.P.	.0	.0	.0		.0			.0
22. 1998 I.P.	.0	.0	.0		.0			.0
23. 1997 S.P.	.0	.0	.0		.0			.0
24. 1997 I.P.	.0	.0	.0		.0			.0
25. 1996 S.P.	.0	.0	.0		.0			.0
26. 1996 I.P.	.0	.0	.0		.0			.0
27. 1995 S.P.	.0	.0	.0		.0			.0
28. 1995 I.P.	.0	.0	.0		.0			.0
29. 1994 S.P.	.0	.0	.0		.0			.0
30. 1994 I.P.	.0	.0	.0		.0			.0
31. 1993 S.P.	.0	.0	.0		.0			.0
32. 1993 I.P.	.0	.0	.0		.0			.0
33. 1992 S.P.	.0	.0	.0		.0			.0
34. 1992 I.P.	.0	.0	.0		.0			.0
35. 1991 S.P.	.0	.0	.0		.0			.0
36. 1991 I.P.	.0	.0	.0		.0			.0
37. 1990 S.P.	.0	.0	.0		.0			.0
38. 1990 I.P.	.0	.0	.0		.0			.0
39. 1989 S.P.	.0	.0	.0		.0			.0
40. 1989 I.P.	.0	.0	.0		.0			.0
41. Prior to 1989 S.P.	.0	.0	.0		.0			.0
42. Prior to 1989 I.P.	.0	.0	.0		.0			.0
43. Totals	0	0	0	0	0	0	0	0

NONE

S.P. = Single Premiums
I.P. = Installment Premiums

CONTINGENCY RESERVE FOR MUNICIPAL OBLIGATIONS

PART 3D

INDUSTRIAL DEVELOPMENT BONDS - TYPE II

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.			.0					.0
2. 2008 I.P.			.0					.0
3. 2007 S.P.	.0	.0	.0		.0			.0
4. 2007 I.P.	.0	.0	.0		.0			.0
5. 2006 S.P.	.0	.0	.0		.0			.0
6. 2006 I.P.	.0	.0	.0		.0			.0
7. 2005 S.P.	.0	.0	.0		.0			.0
8. 2005 I.P.	.0	.0	.0		.0			.0
9. 2004 S.P.	.0	.0	.0		.0			.0
10. 2004 I.P.	.0	.0	.0		.0			.0
11. 2003 S.P.	.0	.0	.0		.0			.0
12. 2003 I.P.	.0	.0	.0		.0			.0
13. 2002 S.P.	.0	.0	.0		.0			.0
14. 2002 I.P.	.0	.0	.0		.0			.0
15. 2001 S.P.	.0	.0	.0		.0			.0
16. 2001 I.P.	.0	.0	.0		.0			.0
17. 2000 S.P.	.0	.0	.0		.0			.0
18. 2000 I.P.	.0	.0	.0		.0			.0
19. 1999 S.P.	.0	.0	.0		.0			.0
20. 1999 I.P.	.0	.0	.0		.0			.0
21. 1998 S.P.	.0	.0	.0		.0			.0
22. 1998 I.P.	.0	.0	.0		.0			.0
23. 1997 S.P.	.0	.0	.0		.0			.0
24. 1997 I.P.	.0	.0	.0		.0			.0
25. 1996 S.P.	.0	.0	.0		.0			.0
26. 1996 I.P.	.0	.0	.0		.0			.0
27. 1995 S.P.	.0	.0	.0		.0			.0
28. 1995 I.P.	.0	.0	.0		.0			.0
29. 1994 S.P.	.0	.0	.0		.0			.0
30. 1994 I.P.	.0	.0	.0		.0			.0
31. 1993 S.P.	.0	.0	.0		.0			.0
32. 1993 I.P.	.0	.0	.0		.0			.0
33. 1992 S.P.	.0	.0	.0		.0			.0
34. 1992 I.P.	.0	.0	.0		.0			.0
35. 1991 S.P.	.0	.0	.0		.0			.0
36. 1991 I.P.	.0	.0	.0		.0			.0
37. 1990 S.P.	.0	.0	.0		.0			.0
38. 1990 I.P.	.0	.0	.0		.0			.0
39. 1989 S.P.	.0	.0	.0		.0			.0
40. 1989 I.P.	.0	.0	.0		.0			.0
41. Prior to 1989 S.P.	.0	.0	.0		.0			.0
42. Prior to 1989 I.P.	.0	.0	.0		.0			.0
43. Totals	0	0	0	0	0	0	0	0

NONE

S.P. = Single Premiums

I.P. = Installment Premiums

CONTINGENCY RESERVE FOR MUNICIPAL OBLIGATIONS

PART 3E

INDUSTRIAL DEVELOPMENT BONDS - TYPE III

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.			.0					.0
2. 2008 I.P.			.0					.0
3. 2007 S.P.	.0	.0	.0	.0	.0			.0
4. 2007 I.P.	.0	.0	.0	.0	.0			.0
5. 2006 S.P.	.0	.0	.0	.0	.0			.0
6. 2006 I.P.	.0	.0	.0	.0	.0			.0
7. 2005 S.P.	.0	.0	.0	.0	.0			.0
8. 2005 I.P.	.0	.0	.0	.0	.0			.0
9. 2004 S.P.	.0	.0	.0	.0	.0			.0
10. 2004 I.P.	.0	.0	.0	.0	.0			.0
11. 2003 S.P.	.0	.0	.0	.0	.0			.0
12. 2003 I.P.	.0	.0	.0	.0	.0			.0
13. 2002 S.P.	.0	.0	.0	.0	.0			.0
14. 2002 I.P.	.0	.0	.0	.0	.0			.0
15. 2001 S.P.	.0	.0	.0	.0	.0			.0
16. 2001 I.P.	.0	.0	.0	.0	.0			.0
17. 2000 S.P.	.0	.0	.0	.0	.0			.0
18. 2000 I.P.	.0	.0	.0	.0	.0			.0
19. 1999 S.P.	.0	.0	.0	.0	.0			.0
20. 1999 I.P.	.0	.0	.0	.0	.0			.0
21. 1998 S.P.	.0	.0	.0	.0	.0			.0
22. 1998 I.P.	.0	.0	.0	.0	.0			.0
23. 1997 S.P.	.0	.0	.0	.0	.0			.0
24. 1997 I.P.	.0	.0	.0	.0	.0			.0
25. 1996 S.P.	.0	.0	.0	.0	.0			.0
26. 1996 I.P.	.0	.0	.0	.0	.0			.0
27. 1995 S.P.	.0	.0	.0	.0	.0			.0
28. 1995 I.P.	.0	.0	.0	.0	.0			.0
29. 1994 S.P.	.0	.0	.0	.0	.0			.0
30. 1994 I.P.	.0	.0	.0	.0	.0			.0
31. 1993 S.P.	.0	.0	.0	.0	.0			.0
32. 1993 I.P.	.0	.0	.0	.0	.0			.0
33. 1992 S.P.	.0	.0	.0	.0	.0			.0
34. 1992 I.P.	.0	.0	.0	.0	.0			.0
35. 1991 S.P.	.0	.0	.0	.0	.0			.0
36. 1991 I.P.	.0	.0	.0	.0	.0			.0
37. 1990 S.P.	.0	.0	.0	.0	.0			.0
38. 1990 I.P.	.0	.0	.0	.0	.0			.0
39. 1989 S.P.	.0	.0	.0	.0	.0			.0
40. 1989 I.P.	.0	.0	.0	.0	.0			.0
41. Prior to 1989 S.P.	.0	.0	.0	.0	.0			.0
42. Prior to 1989 I.P.	.0	.0	.0	.0	.0			.0
43. Totals	0	0	0	0	0	0	0	0

NONE

S.P. = Single Premiums
I.P. = Installment Premiums

CONTINGENCY RESERVE FOR MUNICIPAL OBLIGATIONS

PART 3F

TOTALS - ALL MUNICIPAL BONDS WRITTEN

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.	0	0	0	0	0	0	0	0
2. 2008 I.P.	0	0	0	0	0	0	0	0
3. 2007 S.P.	0	0	0	0	0	0	0	0
4. 2007 I.P.	0	0	0	0	0	0	0	0
5. 2006 S.P.	0	0	0	0	0	0	0	0
6. 2006 I.P.	0	0	0	0	0	0	0	0
7. 2005 S.P.	0	0	0	0	0	0	0	0
8. 2005 I.P.	0	0	0	0	0	0	0	0
9. 2004 S.P.	0	0	0	0	0	0	0	0
10. 2004 I.P.	0	0	0	0	0	0	0	0
11. 2003 S.P.	0	0	0	0	0	0	0	0
12. 2003 I.P.	0	0	0	0	0	0	0	0
13. 2002 S.P.	0	0	0	0	0	0	0	0
14. 2002 I.P.	0	0	0	0	0	0	0	0
15. 2001 S.P.	0	0	0	0	0	0	0	0
16. 2001 I.P.	0	0	0	0	0	0	0	0
17. 2000 S.P.	0	0	0	0	0	0	0	0
18. 2000 I.P.	0	0	0	0	0	0	0	0
19. 1999 S.P.	0	0	0	0	0	0	0	0
20. 1999 I.P.	0	0	0	0	0	0	0	0
21. 1998 S.P.	0	0	0	0	0	0	0	0
22. 1998 I.P.	0	0	0	0	0	0	0	0
23. 1997 S.P.	0	0	0	0	0	0	0	0
24. 1997 I.P.	0	0	0	0	0	0	0	0
25. 1996 S.P.	0	0	0	0	0	0	0	0
26. 1996 I.P.	0	0	0	0	0	0	0	0
27. 1995 S.P.	0	0	0	0	0	0	0	0
28. 1995 I.P.	0	0	0	0	0	0	0	0
29. 1994 S.P.	0	0	0	0	0	0	0	0
30. 1994 I.P.	0	0	0	0	0	0	0	0
31. 1993 S.P.	0	0	0	0	0	0	0	0
32. 1993 I.P.	0	0	0	0	0	0	0	0
33. 1992 S.P.	0	0	0	0	0	0	0	0
34. 1992 I.P.	0	0	0	0	0	0	0	0
35. 1991 S.P.	0	0	0	0	0	0	0	0
36. 1991 I.P.	0	0	0	0	0	0	0	0
37. 1990 S.P.	0	0	0	0	0	0	0	0
38. 1990 I.P.	0	0	0	0	0	0	0	0
39. 1989 S.P.	0	0	0	0	0	0	0	0
40. 1989 I.P.	0	0	0	0	0	0	0	0
41. Prior to 1989 S.P.	0	0	0	0	0	0	0	0
42. Prior to 1989 I.P.	0	0	0	0	0	0	0	0
43. Totals	0	0	0	0	0	0	0	0

NONE

S.P. = Single Premiums

I.P. = Installment Premiums

CONTINGENCY RESERVE FOR NON-MUNICIPAL OBLIGATIONS

PART 4A

CORPORATE OBLIGATIONS TYPE I

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.			0					0
2. 2008 I.P.			0					0
3. 2007 S.P.	0	0	0		0			0
4. 2007 I.P.	0	0	0		0			0
5. 2006 S.P.	0	0	0		0			0
6. 2006 I.P.	0	0	0		0			0
7. 2005 S.P.	0	0	0		0			0
8. 2005 I.P.	0	0	0		0			0
9. 2004 S.P.	0	0	0		0			0
10. 2004 I.P.	0	0	0		0			0
11. 2003 S.P.	0	0	0		0			0
12. 2003 I.P.	0	0	0		0			0
13. 2002 S.P.	0	0	0		0			0
14. 2002 I.P.	0	0	0		0			0
15. 2001 S.P.	0	0	0		0			0
16. 2001 I.P.	0	0	0		0			0
17. 2000 S.P.	0	0	0		0			0
18. 2000 I.P.	0	0	0		0			0
19. 1999 S.P.	0	0	0		0			0
20. 1999 I.P.	0	0	0		0			0
21. Prior to 1999 S.P.	0	0	0		0			0
22. Prior to 1999 I.P.	0	0	0		0			0
23. Totals	0	0	0	0	0	0	0	0

NONE

CONTINGENCY RESERVE FOR NON-MUNICIPAL OBLIGATIONS

PART 4B

CORPORATE OBLIGATIONS TYPE II

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.			0					0
2. 2008 I.P.			0					0
3. 2007 S.P.	0	0	0		0			0
4. 2007 I.P.	0	0	0		0			0
5. 2006 S.P.	0	0	0		0			0
6. 2006 I.P.	0	0	0		0			0
7. 2005 S.P.	0	0	0		0			0
8. 2005 I.P.	0	0	0		0			0
9. 2004 S.P.	0	0	0		0			0
10. 2004 I.P.	0	0	0		0			0
11. 2003 S.P.	0	0	0		0			0
12. 2003 I.P.	0	0	0		0			0
13. 2002 S.P.	0	0	0		0			0
14. 2002 I.P.	0	0	0		0			0
15. 2001 S.P.	0	0	0		0			0
16. 2001 I.P.	0	0	0		0			0
17. 2000 S.P.	0	0	0		0			0
18. 2000 I.P.	0	0	0		0			0
19. 1999 S.P.	0	0	0		0			0
20. 1999 I.P.	0	0	0		0			0
21. Prior to 1999 S.P.	0	0	0		0			0
22. Prior to 1999 I.P.	0	0	0		0			0
23. Totals	0	0	0	0	0	0	0	0

NONE

S.P. = Single Premiums
I.P. = Installment Premiums

CONTINGENCY RESERVE FOR NON-MUNICIPAL OBLIGATIONS

PART 4C

CORPORATE OBLIGATIONS TYPE III

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.			0					0
2. 2008 I.P.			0					0
3. 2007 S.P.	0	0	0		0			0
4. 2007 I.P.	0	0	0		0			0
5. 2006 S.P.	0	0	0		0			0
6. 2006 I.P.	0	0	0		0			0
7. 2005 S.P.	0	0	0		0			0
8. 2005 I.P.	0	0	0		0			0
9. 2004 S.P.	0	0	0		0			0
10. 2004 I.P.	0	0	0		0			0
11. 2003 S.P.	0	0	0		0			0
12. 2003 I.P.	0	0	0		0			0
13. 2002 S.P.	0	0	0		0			0
14. 2002 I.P.	0	0	0		0			0
15. 2001 S.P.	0	0	0		0			0
16. 2001 I.P.	0	0	0		0			0
17. 2000 S.P.	0	0	0		0			0
18. 2000 I.P.	0	0	0		0			0
19. 1999 S.P.	0	0	0		0			0
20. 1999 I.P.	0	0	0		0			0
21. Prior to 1999 S.P.	0	0	0		0			0
22. Prior to 1999 I.P.	0	0	0		0			0
23. Totals	0	0	0	0	0	0	0	0

NONE

CONTINGENCY RESERVE FOR NON-MUNICIPAL OBLIGATIONS

PART 4D

CONSUMER DEBT OBLIGATIONS

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.			0					0
2. 2008 I.P.			0					0
3. 2007 S.P.	0	0	0		0			0
4. 2007 I.P.	0	0	0		0			0
5. 2006 S.P.	0	0	0		0			0
6. 2006 I.P.	0	0	0		0			0
7. 2005 S.P.	0	0	0		0			0
8. 2005 I.P.	0	0	0		0			0
9. 2004 S.P.	0	0	0		0			0
10. 2004 I.P.	0	0	0		0			0
11. 2003 S.P.	0	0	0		0			0
12. 2003 I.P.	0	0	0		0			0
13. 2002 S.P.	0	0	0		0			0
14. 2002 I.P.	0	0	0		0			0
15. 2001 S.P.	0	0	0		0			0
16. 2001 I.P.	0	0	0		0			0
17. 2000 S.P.	0	0	0		0			0
18. 2000 I.P.	0	0	0		0			0
19. 1999 S.P.	0	0	0		0			0
20. 1999 I.P.	0	0	0		0			0
21. Prior to 1999 S.P.	0	0	0		0			0
22. Prior to 1999 I.P.	0	0	0		0			0
23. Totals	0	0	0	0	0	0	0	0

NONE

S.P. = Single Premiums
I.P. = Installment Premiums

CONTINGENCY RESERVE FOR NON-MUNICIPAL OBLIGATIONS

PART 4E

PASS - THROUGH SECURITIES

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.			0					0
2. 2008 I.P.			0					0
3. 2007 S.P.	0	0	0		0			0
4. 2007 I.P.	0	0	0		0			0
5. 2006 S.P.	0	0	0		0			0
6. 2006 I.P.	0	0	0		0			0
7. 2005 S.P.	0	0	0		0			0
8. 2005 I.P.	0	0	0		0			0
9. 2004 S.P.	0	0	0		0			0
10. 2004 I.P.	0	0	0		0			0
11. 2003 S.P.	0	0	0		0			0
12. 2003 I.P.	0	0	0		0			0
13. 2002 S.P.	0	0	0		0			0
14. 2002 I.P.	0	0	0		0			0
15. 2001 S.P.	0	0	0		0			0
16. 2001 I.P.	0	0	0		0			0
17. 2000 S.P.	0	0	0		0			0
18. 2000 I.P.	0	0	0		0			0
19. 1999 S.P.	0	0	0		0			0
20. 1999 I.P.	0	0	0		0			0
21. Prior to 1999 S.P.	0	0	0		0			0
22. Prior to 1999 I.P.	0	0	0		0			0
23. Totals	0	0	0	0	0	0	0	0

NONE

CONTINGENCY RESERVE FOR NON-MUNICIPAL OBLIGATIONS

PART 4F

LIMITED PARTNERSHIPS

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.			0					0
2. 2008 I.P.			0					0
3. 2007 S.P.	0	0	0		0			0
4. 2007 I.P.	0	0	0		0			0
5. 2006 S.P.	0	0	0		0			0
6. 2006 I.P.	0	0	0		0			0
7. 2005 S.P.	0	0	0		0			0
8. 2005 I.P.	0	0	0		0			0
9. 2004 S.P.	0	0	0		0			0
10. 2004 I.P.	0	0	0		0			0
11. 2003 S.P.	0	0	0		0			0
12. 2003 I.P.	0	0	0		0			0
13. 2002 S.P.	0	0	0		0			0
14. 2002 I.P.	0	0	0		0			0
15. 2001 S.P.	0	0	0		0			0
16. 2001 I.P.	0	0	0		0			0
17. 2000 S.P.	0	0	0		0			0
18. 2000 I.P.	0	0	0		0			0
19. 1999 S.P.	0	0	0		0			0
20. 1999 I.P.	0	0	0		0			0
21. Prior to 1999 S.P.	0	0	0		0			0
22. Prior to 1999 I.P.	0	0	0		0			0
23. Totals	0	0	0	0	0	0	0	0

NONE

S.P. = Single Premiums
I.P. = Installment Premiums

CONTINGENCY RESERVE FOR NON-MUNICIPAL OBLIGATIONS

PART 4G

OTHER NON-INVESTMENT GRADE OBLIGATIONS

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.			0					0
2. 2008 I.P.			0					0
3. 2007 S.P.	0	0	0		0			0
4. 2007 I.P.	0	0	0		0			0
5. 2006 S.P.	0	0	0		0			0
6. 2006 I.P.	0	0	0		0			0
7. 2005 S.P.	0	0	0		0			0
8. 2005 I.P.	0	0	0		0			0
9. 2004 S.P.	0	0	0		0			0
10. 2004 I.P.	0	0	0		0			0
11. 2003 S.P.	0	0	0		0			0
12. 2003 I.P.	0	0	0		0			0
13. 2002 S.P.	0	0	0		0			0
14. 2002 I.P.	0	0	0		0			0
15. 2001 S.P.	0	0	0		0			0
16. 2001 I.P.	0	0	0		0			0
17. 2000 S.P.	0	0	0		0			0
18. 2000 I.P.	0	0	0		0			0
19. 1999 S.P.	0	0	0		0			0
20. 1999 I.P.	0	0	0		0			0
21. Prior to 1999 S.P.	0	0	0		0			0
22. Prior to 1999 I.P.	0	0	0		0			0
23. Totals	0	0	0	0	0	0	0	0

NONE

CONTINGENCY RESERVE FOR NON-MUNICIPAL OBLIGATIONS

PART 4H

ALL OTHER GUARANTIES

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.			0					0
2. 2008 I.P.			0					0
3. 2007 S.P.	0	0	0		0			0
4. 2007 I.P.	0	0	0		0			0
5. 2006 S.P.	0	0	0		0			0
6. 2006 I.P.	0	0	0		0			0
7. 2005 S.P.	0	0	0		0			0
8. 2005 I.P.	0	0	0		0			0
9. 2004 S.P.	0	0	0		0			0
10. 2004 I.P.	0	0	0		0			0
11. 2003 S.P.	0	0	0		0			0
12. 2003 I.P.	0	0	0		0			0
13. 2002 S.P.	0	0	0		0			0
14. 2002 I.P.	0	0	0		0			0
15. 2001 S.P.	0	0	0		0			0
16. 2001 I.P.	0	0	0		0			0
17. 2000 S.P.	0	0	0		0			0
18. 2000 I.P.	0	0	0		0			0
19. 1999 S.P.	0	0	0		0			0
20. 1999 I.P.	0	0	0		0			0
21. Prior to 1999 S.P.	0	0	0		0			0
22. Prior to 1999 I.P.	0	0	0		0			0
23. Totals	0	0	0	0	0	0	0	0

NONE

S.P. = Single Premiums
I.P. = Installment Premiums

CONTINGENCY RESERVE FOR NON-MUNICIPAL OBLIGATIONS

PART 4I - TOTALS - ALL NON-MUNICIPAL OBLIGATIONS WRITTEN

Calendar Year Written	1 Net Premiums Written	2 Net Principal Guaranteed	3 Average Premium (Cols. 1/2)	4 Current Year Earned Premium	5 Prior Year Reserve	Current Year		8 Contingency Reserve (Cols. 5 + 6 - 7)
						6 Addition to Reserve	7 Withdrawals from Reserve	
1. 2008 S.P.	0	0	0	0	0	0	0	0
2. 2008 I.P.	0	0	0	0	0	0	0	0
3. 2007 S.P.	0	0	0	0	0	0	0	0
4. 2007 I.P.	0	0	0	0	0	0	0	0
5. 2006 S.P.	0	0	0	0	0	0	0	0
6. 2006 I.P.	0	0	0	0	0	0	0	0
7. 2005 S.P.	0	0	0	0	0	0	0	0
8. 2005 I.P.	0	0	0	0	0	0	0	0
9. 2004 S.P.	0	0	0	0	0	0	0	0
10. 2004 I.P.	0	0	0	0	0	0	0	0
11. 2003 S.P.	0	0	0	0	0	0	0	0
12. 2003 I.P.	0	0	0	0	0	0	0	0
13. 2002 S.P.	0	0	0	0	0	0	0	0
14. 2002 I.P.	0	0	0	0	0	0	0	0
15. 2001 S.P.	0	0	0	0	0	0	0	0
16. 2001 I.P.	0	0	0	0	0	0	0	0
17. 2000 S.P.	0	0	0	0	0	0	0	0
18. 2000 I.P.	0	0	0	0	0	0	0	0
19. 1999 S.P.	0	0	0	0	0	0	0	0
20. 1999 I.P.	0	0	0	0	0	0	0	0
21. Prior to 1999 S.P.	0	0	0	0	0	0	0	0
22. Prior to 1999 I.P.	0	0	0	0	0	0	0	0
23. Totals	0	0	0	0	0	0	0	0

S.P. = Single Premiums
 I.P. = Installment Premiums

PART 5 - MUNICIPAL BOND EXPOSURES WRITTEN

PART 5A - GROSS EXPOSURES WRITTEN DURING YEAR

	1 Direct Exposure Written	2 Assumed Exposure Written	3 Ceded Exposure Written	4 Net Exposure Written (Cols. 1 + 2 - 3)
1. MUNIC OBLIGATION BONDS	0	0	0	0
2. SPECIAL REVENUE BONDS	0	0	0	0
3. IDB'S - TYPE I	0	0	0	0
4. IDB'S - TYPE II	0	0	0	0
5. IDB'S - TYPE III	0	0	0	0
6. TOTAL MUNICIPAL BONDS	0	0	0	0

PART 5B - NET OUTSTANDING EXPOSURE

	1 Net Outstanding Exposure (Part 5A, Col. 4)	2 Less Ceded Exposure at Year-End	3 Plus Assumed Exposure at Year-End	4 Net Exposure Prior Year	5 Net Exposure Expired During Year	6 Net Outstanding Exposure
1. MUNIC OBLIGATION BONDS	0	0	0	0	0	0
2. SPECIAL REVENUE BONDS	0	0	0	0	0	0
3. IDB'S - TYPE I	0	0	0	0	0	0
4. IDB'S - TYPE II	0	0	0	0	0	0
5. IDB'S - TYPE III	0	0	0	0	0	0
6. TOTAL MUNICIPAL BONDS	0	0	0	0	0	0

PART 5C - BREAKDOWN OF NET OUTSTANDING EXPOSURES AT YEAR-END

	1 Ceded Exposure	2 Assumed Exposure	Ceded Exposure		5 Net Outstanding Exposure (Part 5B, Col. 6) (Cols. 1 + 2 - 3 - 4)
			3 Authorized	4 Unauthorized	
1. MUNIC OBLIGATION BONDS	0	0	0	0	0
2. SPECIAL REVENUE BONDS	0	0	0	0	0
3. IDB'S - TYPE I	0	0	0	0	0
4. IDB'S - TYPE II	0	0	0	0	0
5. IDB'S - TYPE III	0	0	0	0	0
6. TOTAL MUNICIPAL BONDS	0	0	0	0	0

NON-MUNICIPAL BOND EXPOSURES WRITTEN

PART 6A - GROSS EXPOSURES WRITTEN DURING YEAR

	1 Ceded Exposure Written	2 Assumed Exposure Written	3 Ceded Exposure Written	4 Net Exposure Written (Cols. 1 + 2 - 3)
NONE				
1. CORP OBLIGATION BONDS - TYPE I				0
2. CORP OBLIGATION BONDS - TYPE II				0
3. CORP OBLIGATION BONDS - TYPE III				0
4. CONSUMER DEBT OBLIGATIONS				0
5. PASS THROUGH SECURITIES				0
6. LIMITED PARTNERSHIPS				0
7. OTHER NON-INVESTMENT GRADE OBLIGATIONS				0
8. ALL OTHER GUARANTEES				0
9. TOTAL NON-MUNICIPAL BONDS	0	0	0	0

PART 6B - NET OUTSTANDING EXPOSURE

	1 Net Outstanding Exposure (Part 6A, Col. 4)	2 Less Collateral Held	3 Exposures Net of Collateral	4 Net Exposure Prior Year	5 Net Exposure Expired During Year	6 Net Outstanding Exposure
NONE						
1. CORP OBLIGATION BONDS - TYPE I	0		0	0		0
2. CORP OBLIGATION BONDS - TYPE II	0		0	0		0
3. CORP OBLIGATION BONDS - TYPE III	0		0	0		0
4. CONSUMER DEBT OBLIGATIONS	0		0	0		0
5. PASS THROUGH SECURITIES	0		0	0		0
6. LIMITED PARTNERSHIPS	0		0	0		0
7. OTHER NON-INVESTMENT GRADE OBLIGATIONS	0		0	0		0
8. ALL OTHER GUARANTEES	0		0	0		0
9. TOTAL NON-MUNICIPAL BONDS	0	0	0	0	0	0

PART 6C - BREAKDOWN OF NET OUTSTANDING EXPOSURES AT YEAR-END

	1 Total Exposure	2 Assumed Exposure	3 Ceded Exposure		5 Net Outstanding Exposure (Part 6B, Col. 6) (Cols. 1 + 2 - 3 - 4)
			Authorized	Unauthorized	
NONE					
1. CORP OBLIGATION BONDS - TYPE I					0
2. CORP OBLIGATION BONDS - TYPE II					0
3. CORP OBLIGATION BONDS - TYPE III					0
4. CONSUMER DEBT OBLIGATIONS					0
5. PASS THROUGH SECURITIES					0
6. LIMITED PARTNERSHIPS					0
7. OTHER NON-INVESTMENT GRADE OBLIGATIONS					0
8. ALL OTHER GUARANTEES					0
9. TOTAL NON-MUNICIPAL BONDS	0	0	0	0	0

SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

PART 7 - LOSS DEVELOPMENT (000 omitted)

	Losses paid during the year less reinsurance received during the year			Salvage and subrogation received in the current year			7 Total (Cols. 1 + 2 + 3 - 4 - 5 - 6)	8 Losses paid during 2007 on losses incurred prior to 2007	Losses unpaid December 31 of current year				Development		Estimated Liability on unpaid losses		Change in such estimated liability	
	1	2	3	4	5	6			9	10	11	12	13	14	15	16	17	18
	On losses incurred during 2008	On losses incurred during 2007	On losses incurred prior to 2007	On losses incurred during 2008	On losses incurred during 2007	On losses incurred prior to 2007			On losses incurred during 2008	On losses incurred during 2007	On losses incurred prior to 2007	Total Per Col. 5, Part 3A (Cols. 9 + 10 + 11)	On losses incurred prior to 2008 (Cols. 2 + 3 + 10 + 11)	On losses incurred prior to 2007 (Cols. 3 + 8 + 11)	Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2007 (Col. 13 less Col. 15)	Dec. 31, 2006 (Col. 14 less Col. 16)
1. Municipal Obligation Bonds							0											
2. Special Revenue Bonds																		
3. IDB's - Class I																		
4. IDB's - Class II																		
5. IDB's - Class III																		
6. Total Municipal Bonds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7. Corporate Obligation Bonds - Class I							0											
8. Corporate Obligation Bonds - Class II							0											
9. Corporate Obligation Bonds - Class III							0											
10. Consumer Debt Obligations							0											
11. Pass Through Securities							0											
12. Limited Partnerships							0											
13. Other Non-Investment Grade Obligations							0											
14. All Other Non-Municipal							0											
15. Total Non-Municipal Bonds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16. Totals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

NONE

240-15

10362200827000100

INSURANCE EXPENSE EXHIBIT

FOR THE YEAR ENDED DECEMBER 31, 2008
(To Be Filed by April 1)

OF THE (Name) Atrium Insurance Corporation
ADDRESS (City, State and Zip Code) New York, NY 10020.....
NAIC Group Code 0000..... NAIC Company Code 10362..... Employer's ID Number (FEIN) 52-1936400.....
Contact Person Mark Danahy..... Title Senior VP and CFO..... Telephone 856-917-0186.....

IF MODIFICATIONS AND/OR CHANGES AFFECTING THIS EXHIBIT ARE MADE TO THE ANNUAL STATEMENT SUBSEQUENT TO THE FILING OF THIS EXHIBIT, AN AMENDED ANNUAL STATEMENT AND INSURANCE EXPENSE EXHIBIT MUST BE FILED WITH THE APPROPRIATE INSURANCE DEPARTMENT.

(Combined Statement IEE Supplement to be filed not later than May 1)

- (1) Refer to the *Annual Statement Instructions* appendix for Uniform Classification of Expenses for definition of Expenses Groups and instructions for allocation of expenses to lines of business.
- (2) Compute all ratios to nearest fourth place and express as percentages, e.g. 48.3.
- (3) There should be submitted in Interrogatory 4 a detailed statement or footnote with respect to any item or items requiring special comment or explanation.
- (4) Parts I, II and III only. Report all amounts to the nearest thousand and through truncation of digits below a thousand. (Example: \$602,503 may be reported as \$603 by rounding or as \$602 by truncation.)
- (5) Interrogatories only: Report all amounts in whole dollars. Do NOT omit thousands.
- (6) Each individual insurer whether or not a member of a group must submit this exhibit.

INTERROGATORIES

- 1. Change in reserve for deferred maternity and other similar benefits are reflected in:
 - 1.1. Premiums Earned []
 - 1.2. Losses Incurred []
 - 1.3 Not Applicable []
- 2. Indicate amounts received from securities subject to proration for federal tax purposes. Report amounts in whole dollars only:
 - 2.1. Amount included on Exhibit of Net Investment Income, Line 1.1, Column 2 \$
 - 2.2. Amount included on Exhibit of Net Investment Income, Line 2.1, Column 2 \$
 - 2.3. Amount included on Exhibit of Net Investment Income, Line 2.11, Column 2 \$
 - 2.4. Amount included on Exhibit of Net Investment Income, Line 2.2, Column 2 \$
 - 2.5. Amount included on Exhibit of Net Investment Income, Line 2.21, Column 2 \$
- 3. Indicate amounts shown in the Annual Statement for the following items. Report amounts in whole dollars only:
 - 3.1. Net Investment Income, Page 4, Line 9, Column 1 \$ 6,060,336
 - 3.2. Net realized Capital Gain or (Loss), Page 4, Line 10, Column 1 \$ 0
- 4.1 The information provided in the Insurance Expense Exhibit will be used by many persons to estimate the allocation of expenses and profit to the various lines of business. Are there any items requiring special comment or explanation? Yes [] No [X]
- 4.2 Are items allocated to lines of business in Parts II and III using methods not defined in the instructions? Statement may be attached Yes [] No [X]
- 4.3 If yes, explain:

PART I - ALLOCATION TO EXPENSE GROUPS

(000 OMITTED)

Operating Expense Classifications	1 Loss Adjustment Expense	Other Underwriting Expenses			5 Investment Expenses	6 Total Expenses
		2 Acquisition, Field Supervision and Collection Expenses	3 General Expenses	4 Taxes, Licenses and Fees		
1. Claim adjustment services:						
1.1 Direct	0				0	0
1.2 Reinsurance assumed	0				0	0
1.3 Reinsurance ceded	0				0	0
1.4 Net claim adjustment services (Lines 1.1 + 1.2 - 1.3)	0	0	0	0	0	0
2. Commission and brokerage:						
2.1 Direct excluding contingent	0	0			0	0
2.2 Reinsurance assumed excluding contingent	0	3,955			0	3,955
2.3 Reinsurance ceded excluding contingent	0	0			0	0
2.4 Contingent - direct	0	0			0	0
2.5 Contingent - reinsurance assumed	0	0			0	0
2.6 Contingent - reinsurance ceded	0	0			0	0
2.7 Policy and membership fees	0	0			0	0
2.8 Net commission and brokerage (Lines 2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	3,955	0	0	0	3,955
3. Allowances to managers and agents	0				0	0
4. Advertising	0				0	0
5. Boards, bureaus and associations	0				0	0
6. Surveys and underwriting reports	0				0	0
7. Audit of assureds' records	0				0	0
8. Salary related items:						
8.1 Salaries	0		81		0	81
8.2 Payroll taxes	0		8		0	8
9. Employee relations and welfare	0		16		0	16
10. Insurance	0				0	0
11. Directors' fees	0		15		0	15
12. Travel and travel items	0				0	0
13. Rent and rent items	0		27		0	27
14. Equipment	0				0	0
15. Cost or depreciation of EDP equipment and software	0				0	0
16. Printing and stationery	0				0	0
17. Postage, telephone and telegraph, exchange and express	0		0		0	0
18. Legal and auditing	0		368		0	368
19. Totals (Lines 3 to 18)	0	0	515	0	0	515
20. Taxes, licenses and fees:						
20.1 State and local insurance taxes deducting guaranty association credits of \$ 0	0			0	0	0
20.2 Insurance department licenses and fees	0			107	0	107
20.3 Gross guaranty association assessments	0			4	0	4
20.4 All other (excluding Federal and foreign income and real estate)	0			0	0	0
20.5 Total taxes, licenses and fees (Lines 20.1 + 20.2 + 20.3 + 20.4)	0	0	0	111	0	111
21. Real estate expenses	0				0	0
22. Real estate taxes	0				0	0
23. Reimbursements by uninsured plans	XXX	XXX	XXX	XXX	XXX	XXX
24. Aggregate write-ins for Miscellaneous Operating Expenses	0	0	157	0	0	157
25. TOTAL EXPENSES INCURRED	0	3,955	673	111	0	4,738
DETAILS OF WRITE-INS						
2401. Bank Charges	0		153		0	153
2402. Dues & Subscriptions	0		4		0	4
2403. Miscellaneous Expense	0		0		0	0
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0	0	0
2499. TOTALS (Lines 2401 thru 2403 plus 2498) (Line 24 above)	0	0	157	0	0	157

INSURANCE EXPENSE EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

PART II - ALLOCATION TO LINES OF BUSINESS NET OF REINSURANCE

PREMIUMS, LOSSES, EXPENSES, RESERVES AND PROFITS AND PERCENTAGES TO PREMIUMS EARNED FOR BUSINESS NET OF REINSURANCE
(000 OMITTED)

	Premiums Written (Pg. 8, Pt. 1B, Col. 6)		Premiums Earned (Pg. 6, Pt. 1, Col. 4)		Dividends to Policyholders (Pg. 4, Line 17)		Incurred Loss (Pg. 9, Pt. 2, Col. 7)		Defense and Cost Containment Expenses Incurred		Adjusting and Other Expenses Incurred		Unpaid Losses (Pg. 10, Pt. 2A, Col. 8)		Defense and Cost Containment Expenses Unpaid		Adjusting and Other Expenses Unpaid		Unearned Premium Reserves (Pg. 7, Pt. 1A, Col. 5)		Agents' Balances	
	1 Amount	2 %	3 Amount	4 %	5 Amount	6 %	7 Amount	8 %	9 Amount	10 %	11 Amount	12 %	13 Amount	14 %	15 Amount	16 %	17 Amount	18 %	19 Amount	20 %	21 Amount	22 %
1. Fire	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
2.1 Allied Lines	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
2.2 Multiple Peril Crop	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
2.3 Federal Flood	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
3. Farmowners Multiple Peril	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
4. Homeowners Multiple Peril	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
5.1 Commercial Multiple Peril (Non-Liability Portion).....	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
5.2 Commercial Multiple Peril (Liability Portion).....	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
6. Mortgage Guaranty	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
8. Ocean Marine	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
9. Inland Marine	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
10. Financial Guaranty	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
11. Medical Malpractice	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
12. Earthquake	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
13. Group A & H (See Interrogatory 1)	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
14. Credit A & H	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
15. Other A & H (See Interrogatory 1)	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
16. Workers' Compensation	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
17.1 Other Liability	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
17.3 Excess workers' compensation	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
18. Products Liability	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
19.1,19.2 Private Passenger Auto Liability	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
19.3,19.4 Commercial Auto Liability	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
21.1 Private Pass. Auto Physical Damage	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
21.2 Commercial Auto Physical Damage	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
22. Aircraft (all perils)	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
23. Fidelity	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
24. Surety	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
26. Burglary and Theft	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
27. Boiler and Machinery	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
28. Credit	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
29. International	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
30. Warranty	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
31,32,33. Reinsurance - Nonproportional																						
Assumed	37,916	XXX	37,926	100.0	0	0.0	51,045	134.6	0	0.0	0	0.0	83,325	219.7	0	0.0	0	0.0	579	1.5	0	0.0
34. Aggregate write-ins for Other Lines of Business	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
35. TOTAL (Lines 1 through 34)	37,916	XXX	37,926	100.0	0	0.0	51,045	134.6	0	0.0	0	0.0	83,325	219.7	0	0.0	0	0.0	579	1.5	0	0.0
DETAILS OF WRITE-INS																						
3401.		XXX	0	100.0																		
3402.		XXX	0	100.0																		
3403.		XXX	0	100.0																		
3498. Summary of remaining write-ins for Line 34 from overflow page	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
3499. TOTALS (Lines 3401 thru 3403 plus 3498) (Line 34 above)	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0

270-4

INSURANCE EXPENSE EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

PART II - ALLOCATION TO LINES OF BUSINESS NET OF REINSURANCE (Continued)

PREMIUMS, LOSSES, EXPENSES, RESERVES AND PROFITS AND PERCENTAGES TO PREMIUMS EARNED FOR BUSINESS NET OF REINSURANCE

(000 OMITTED)

	Commission and Brokerage Expenses Incurred (IEE Pt. 1, Line 2.8, Col. 2)		Taxes, Licenses & Fees Incurred (IEE Pt. 1, Line 20.5, Col. 4)		Other Acquisitions, Field Supervision, and Collection Expenses Incurred (IEE Pt. 1, Line 25 minus 2.8, Col. 2)		General Expenses Incurred (IEE Pt. 1, Line 25, Col. 3)		Other Income Less Other Expenses (Pg. 4, Line 15 minus Line 5)		Pre-Tax Profit or Loss Excluding All Investment Gain		Investment Gain On Funds Attributable to Insurance Transactions		Profit or Loss Excluding Investment Gain Attributable to Capital and Surplus		Investment Gain Attributable to Capital and Surplus		Total Profit or Loss			
	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42		
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%		
1. Fire		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
2.1 Allied Lines		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
2.2 Multiple Peril Crop		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
2.3 Federal Flood		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
3. Farmowners Multiple Peril		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
4. Homeowners Multiple Peril		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
5.1 Commercial Multiple Peril (Non-Liability Portion)		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
5.2 Commercial Multiple Peril (Liability Portion)		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
6. Mortgage Guaranty		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
8. Ocean Marine		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
9. Inland Marine		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
10. Financial Guaranty		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
11. Medical Malpractice		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
12. Earthquake		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
13. Group A & H (See Interrogatory 1)		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
14. Credit A & H		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
15. Other A & H (See Interrogatory 1)		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
16. Workers' Compensation		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
17.1. Other Liability		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
17.3. Excess workers' compensation		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
18. Products Liability		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
19.1,19.2 Private Passenger Auto Liability		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
19.3,19.4 Commercial Auto Liability		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
21.1 Private Pass. Auto Physical Damage		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
21.2 Commercial Auto Physical Damage		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
22. Aircraft (all perils)		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
23. Fidelity		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
24. Surety		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
26. Burglary and Theft		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
27. Boiler and Machinery		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
28. Credit		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
29. International		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
30. Warranty		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0		0.0
31,32,33. Reinsurance - Nonproportional Assumed	3,955	10.4	111	0.3		0.0	673	1.8		0.0	(17,857)	(47.1)	2,733	7.2	(15,124)	(39.9)	3,327	8.8	(11,796)	(31.1)		
34. Aggregate write-ins for Other Lines of Business	0	0.0	0	0.0	0	0.0	0	0.0		0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
35. TOTAL (Lines 1 through 34)	3,955	10.4	111	0.3	0	0.0	673	1.8	0	0.0	(17,857)	2,733	2,733	7.2	(15,124)	(39.9)	3,327	8.8	(11,796)	(31.1)		
DETAILS OF WRITE-INS																						
3401.																						
3402.																						
3403.																						
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0.0	0	0.0	0	0.0	0	0.0		0.0	0	0.0	0	0.0	0	0.0	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	0	0.0		0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0

NOTE: THE ALLOCATION OF INVESTMENT INCOME FROM CAPITAL AND SURPLUS BY LINE OF BUSINESS MAY NOT ACCURATELY REFLECT THE PROFITABILITY OF A PARTICULAR LINE FOR USE IN THE RATE MAKING PROCESS.

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INSURANCE EXPENSE EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

PART III - ALLOCATION TO LINES OF DIRECT BUSINESS WRITTEN

PREMIUMS, LOSSES, EXPENSES, RESERVES AND PROFITS AND PERCENTAGES TO PREMIUMS EARNED FOR DIRECT BUSINESS WRITTEN
(000 OMITTED)

	Premiums Written (Pg. 8, Fl. 1B, Col. 1)		Premiums Earned (Sch. T, Line 59, Col. 3)		Dividends to Policyholders		Incurred Loss (Sch. T, Line 59, Col. 6)		Defense and Cost Containment Expenses Incurred		Adjusting and Other Expenses Incurred		Unpaid Losses (Sch. T, Line 59, Col. 7)		Defense and Cost Containment Expenses Unpaid		Adjusting and Other Expenses Unpaid		Unearned Premium Reserves		Agents' Balances			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22		
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%		
1. Fire	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
2.1 Allied Lines	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
2.2 Multiple Peril Crop	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
2.3 Federal Flood	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
3. Farmowners Multiple Peril	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
4. Homeowners Multiple Peril	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
5.1 Commercial Multiple Peril (Non-Liability Portion)	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
5.2 Commercial Multiple Peril (Liability Portion)	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
6. Mortgage Guaranty	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
8. Ocean Marine	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
9. Inland Marine	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
10. Financial Guaranty	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
11. Medical Malpractice	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
12. Earthquake	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
13. Group A & H (See Interrogatory 1)	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
14. Credit A & H	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
15. Other A & H (See Interrogatory 1)	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
16. Workers' Compensation	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
17.1. Other Liability	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
17.3. Excess workers' compensation	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
18. Products Liability	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
19.1,19.2 Private Passenger Auto Liability	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
19.3,19.4 Commercial Auto Liability	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
21.1 Private Pass. Auto Physical Damage	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
21.2 Commercial Auto Physical Damage	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
22. Aircraft (all perils)	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
23. Fidelity	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
24. Surety	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
26. Burglary and Theft	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
27. Boiler and Machinery	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
28. Credit	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
29. International	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
30. Warranty	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
34. Aggregate write-ins for Other Lines of Business	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
35. TOTAL (Lines 1 through 34)	0	XXX	0	100.0		0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0	0	0.0		0	0.0
DETAILS OF WRITE-INS																								
3401.		XXX		100.0																				
3402.		XXX		100.0																				
3403.		XXX		100.0																				
3498. Summary of remaining write-ins for Line 34 from overflow page	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
3499. TOTALS (Lines 3401 thru 3403 plus 3498) (Line 34 above)	0	XXX	0	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0

NONE

270-6

INSURANCE EXPENSE EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

PART III - ALLOCATION TO LINES OF DIRECT BUSINESS WRITTEN (Continued)

PREMIUMS, LOSSES, EXPENSES, RESERVES AND PROFITS AND PERCENTAGES TO PREMIUMS EARNED FOR DIRECT BUSINESS WRITTEN
(000 OMITTED)

	Commission and Brokerage Expenses Incurred		Taxes, Licenses & Fees Incurred		Other Acquisitions, Field Supervision, and Collection Expenses Incurred		General Expenses Incurred		Other Income Less Expenses		Pre-Tax Profit or Loss Excluding All Investment Gain	
	23	24	25	26	27	28	29	30	31	32	33	34
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1. Fire	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
2.1 Allied Lines	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
2.2 Multiple Peril Crop	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
2.3 Federal Flood	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
3. Farmowners Multiple Peril	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
4. Homeowners Multiple Peril	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
5.1 Commercial Multiple Peril (Non-Liability Portion)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
5.2 Commercial Multiple Peril (Liability Portion)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
6. Mortgage Guaranty	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
8. Ocean Marine	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
9. Inland Marine	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
10. Financial Guaranty	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
11. Medical Malpractice	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
12. Earthquake	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
13. Group A & H (See Interrogatory 1)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
14. Credit A & H	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
15. Other A & H (See Interrogatory 1)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
16. Workers' Compensation	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
17.1. Other Liability	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
17.3. Excess workers' compensation	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
18. Products Liability	0	0.0	0	0.0	0	0.0	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	0	0.0	0	0.0	0	0.0
19.3,19.4 Commercial Auto Liability	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
21.1 Private Pass. Auto Physical Damage	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
21.2 Commercial Auto Physical Damage	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
22. Aircraft (all perils)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
23. Fidelity	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
24. Surety	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
26. Burglary and Theft	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
27. Boiler and Machinery	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
28. Credit	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
29. International	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
30. Warranty	0	0.0	0	0.0	0	0.0	0	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	0	0.0	0	0.0	0	0.0
35. TOTAL (Lines 1 through 34)	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
DETAILS OF WRITE-INS												
3401.												
3402.												
3403.												
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0.0	0	0.0	0	0.0	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	0	0.0	0	0.0	0	0.0

NONE

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INSURANCE EXPENSE EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

OVERFLOW PAGE FOR WRITE-INS

270-8

10362200828300100

SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES

For The Year Ended December 31, 2008

(To Be Filed by April 1)

OF The Atrium Insurance Corporation
 Address (City, State and Zip Code) New York, NY 10020.....
 NAIC Group Code 0000.....NAIC Company Code 10362.....Employer's ID Number 52-1936400.....

The Investment Risks Interrogatories are to be filed by April 1. They are also to be included with the Audited Statutory Financial Statements.

Answer the following interrogatories by reporting the applicable U. S. dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments.

1. Reporting entity's total admitted assets as reported on Page 2 of this annual statement.\$336,480,327
2. Ten largest exposures to a single issuer/borrower/investment.

	1	2	3	4
	Issuer	Description of Exposure	Amount	Percentage of Total Admitted Assets
2.01	\$0.0	.....0.0 %
2.02	\$0.0	.....0.0 %
2.03	\$0.0	.....0.0 %
2.04	\$0.0	.....0.0 %
2.05	\$0.0	.....0.0 %
2.06	\$0.0	.....0.0 %
2.07	\$0.0	.....0.0 %
2.08	\$0.0	.....0.0 %
2.09	\$0.0	.....0.0 %
2.10	\$0.0	.....0.0 %

3. Amounts and percentages of the reporting entity's total admitted assets held in bonds and preferred stocks by NAIC rating.

Bonds		1	2	Preferred Stocks		3	4
3.01	NAIC-1	\$0	.....0.0 %	3.07	P/RP-1	\$0.0	.....0.0 %
3.02	NAIC-2	\$0	.....0.0 %	3.08	P/RP-2	\$0.0	.....0.0 %
3.03	NAIC-3	\$0	.....0.0 %	3.09	P/RP-3	\$0.0	.....0.0 %
3.04	NAIC-4	\$0	.....0.0 %	3.10	P/RP-4	\$0.0	.....0.0 %
3.05	NAIC-5	\$0	.....0.0 %	3.11	P/RP-5	\$0.0	.....0.0 %
3.06	NAIC-6	\$0	.....0.0 %	3.12	P/RP-6	\$0.0	.....0.0 %

4. Assets held in foreign investments:

- 4.01 Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets? Yes [] No []
- 4.02 Total admitted assets held in foreign investments..... \$0.0 %
- 4.03 Foreign-currency-denominated investments \$0.0 %
- 4.04 Insurance liabilities denominated in that same foreign currency..... \$0.0 %

If response to 4.01 above is yes, responses are not required for interrogatories 5 – 10.

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (cont.)

5. Aggregate foreign investment exposure categorized by NAIC sovereign rating:

	1	2	
5.01 Countries rated NAIC-1	\$		.00 %
5.02 Countries rated NAIC-2	\$		.00 %
5.03 Countries rated NAIC-3 or below	\$		.00 %

6. Largest foreign investment exposures by country, categorized by NAIC sovereign rating:

	1	2	
Countries rated NAIC-1:			
6.01 Country 1:	\$		.00 %
6.02 Country 2:	\$		.00 %
Countries rated NAIC-2:			
6.03 Country 1:	\$		.00 %
6.04 Country 2:	\$		.00 %
Countries rated NAIC-3 or below:			
6.05 Country 1:	\$		.00 %
6.06 Country 2:	\$		.00 %

	1	2	
7. Aggregate unhedged foreign currency exposure	\$		.00 %

8. Aggregate unhedged foreign currency exposure categorized by the country's NAIC sovereign rating:

	1	2	
8.01 Countries rated NAIC-1	\$		.00 %
8.02 Countries rated NAIC-2	\$		.00 %
8.03 Countries rated NAIC-3 or below	\$		.00 %

9. Largest unhedged foreign currency exposures by country, categorized by the country's NAIC sovereign rating:

	1	2	
Countries rated NAIC-1:			
9.01 Country:	\$		.00 %
9.02 Country:	\$		.00 %
Countries rated NAIC-2:			
9.03 Country:	\$		.00 %
9.04 Country:	\$		.00 %
Countries rated NAIC-3 or below:			
9.05 Country:	\$		.00 %
9.06 Country:	\$		.00 %

10. Ten largest non-sovereign (i.e. non-governmental) foreign issues:

	1 Issuer	2 NAIC Rating	3	4	
10.01			\$		.00 %
10.02			\$		.00 %
10.03			\$		.00 %
10.04			\$		.00 %
10.05			\$		.00 %
10.06			\$		.00 %
10.07			\$		.00 %
10.08			\$		.00 %
10.09			\$		.00 %
10.10			\$		.00 %

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (cont.)

11. Amounts and percentages of the reporting entity's total admitted assets held in Canadian investments and unhedged Canadian currency exposure:

11.01 Are assets held in Canadian investments less than 2.5% of the reporting entity's total admitted assets? Yes [] No []

If response to 11.01 is yes, detail is not required for the remainder of Interrogatory 11

	1	2	
11.02 Total admitted assets held in Canadian Investments.....	\$ .....		.0.0 %
11.03 Canadian-currency-denominated investments .....	\$ .....		.0.0 %
11.04 Canadian-denominated insurance liabilities.....	\$ .....		.0.0 %
11.05 Unhedged Canadian currency exposure .....	\$ .....		.0.0 %

12. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments with contractual sales restrictions.

12.01 Are assets held in investments with contractual sales restrictions less than 2.5% of the reporting entity's total admitted assets? Yes [] No []

If response to 12.01 is yes, responses are not required for the remainder of Interrogatory 12.

	1	2	3	
12.02 Aggregate statement value of investments with contractual sales restrictions .....	\$ .....			.0.0 %
Largest 3 investments with contractual sales restrictions:				
12.03 .....	\$ .....			.0.0 %
12.04 .....	\$ .....			.0.0 %
12.05 .....	\$ .....			.0.0 %

13. Amounts and percentages of admitted assets held in the ten largest equity interests:

13.01 Are assets held in equity interest less than 2.5% of the reporting entity's total admitted assets Yes [] No []

If response to 13.01 above is yes, responses are not required for the remainder of Interrogatory 13.

	1	2	3	
	Name of Issuer			
13.02 .....		\$ .....		.0.0 %
13.03 .....		\$ .....		.0.0 %
13.04 .....		\$ .....		.0.0 %
13.05 .....		\$ .....		.0.0 %
13.06 .....		\$ .....		.0.0 %
13.07 .....		\$ .....		.0.0 %
13.08 .....		\$ .....		.0.0 %
13.09 .....		\$ .....		.0.0 %
13.10 .....		\$ .....		.0.0 %
13.11 .....		\$ .....		.0.0 %

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (cont.)

14. Amounts and percentages of the reporting entity's total admitted assets held in nonaffiliated, privately placed equities:

14.01 Are assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets? Yes [] No []

If response to 14.01 above is yes, responses are not required for the remainder of Interrogatory 14.

	1	2	3
14.02 Aggregate statement value of investments held in nonaffiliated, privately placed equities	\$		0.0 %
Largest 3 investments held in nonaffiliated, privately placed equities:			
14.03	\$		0.0 %
14.04	\$		0.0 %
14.05	\$		0.0 %

15. Amounts and percentages of the reporting entity's total admitted assets held in general partnership interests:

15.01 Are assets held in general partnership interests less than 2.5% of the reporting entity's total admitted assets? Yes [] No []

If response to 15.01 is yes, responses are not required for the remainder of Interrogatory 15.

	1	2	3
15.02 Aggregate statement value of investments held in general partnership interests	\$		0.0 %
Largest 3 investments with contractual sales restrictions:			
15.03	\$		0.0 %
15.04	\$		0.0 %
15.05	\$		0.0 %

16. Amounts and percentages of the reporting entity's total admitted assets held in mortgage loans:

16.01 Are mortgage loans reported in Schedule B less than 2.5% of the reporting entity's total admitted assets? Yes [] No []

If response to 16.01 above is yes, responses are not required for the remainder of Interrogatory 16 and Interrogatory 17.

	1	2	3
Type (Residential, Commercial, Agricultural)			
16.02	\$		0.0 %
16.03	\$		0.0 %
16.04	\$		0.0 %
16.05	\$		0.0 %
16.06	\$		0.0 %
16.07	\$		0.0 %
16.08	\$		0.0 %
16.09	\$		0.0 %
16.10	\$		0.0 %
16.11	\$		0.0 %

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (cont.)

Amount and percentage of the reporting entity's total admitted assets held in the following categories of mortgage loans:

		Loans	
16.12 Construction Loans	\$		0.0 %
16.13 Mortgage loans over 90 days past due	\$		0.0 %
16.14 Mortgage loans in the process of foreclosure	\$		0.0 %
16.15 Mortgage loans foreclosed	\$		0.0 %
16.16 Restructured mortgage loans	\$		0.0 %

17. Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

Loan-to-Value	Residential		Commercial		Agricultural	
	1	2	3	4	5	6
17.01 above 95%	\$	0.0 %	\$	0.0 %	\$	0.0 %
17.02 91% to 95%	\$	0.0 %	\$	0.0 %	\$	0.0 %
17.03 81% to 90%	\$	0.0 %	\$	0.0 %	\$	0.0 %
17.04 71% to 80%	\$	0.0 %	\$	0.0 %	\$	0.0 %
17.05 below 70%	\$	0.0 %	\$	0.0 %	\$	0.0 %

18. Amounts and percentages of the reporting entity's total admitted assets held in each of the five largest investments in real estate:

18.01 Are assets held in real estate reported less than 2.5% of the reporting entity's total admitted assets? Yes No
 If response to 18.01 above is yes, responses are not required for the remainder of Interrogatory 18.

Largest five investments in any one parcel or group of contiguous parcels of real estate.

	Description	2	3	
	1			
18.02		\$		0.0 %
18.03		\$		0.0 %
18.04		\$		0.0 %
18.05		\$		0.0 %
18.06		\$		0.0 %

19. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments held in mezzanine real estate loans:

19.01 Are assets held in investments held in mezzanine real estate loans less than 2.5% of the reporting entity's total admitted assets? Yes No
 If response to 19.01 above is yes, responses are not required for the remainder of Interrogatory 19.

19.02 Aggregate statement value of investments held in mezzanine real estate loans: \$ 0.0 %

Largest three investments held in mezzanine real estate loans:

	Description	2	3	
	1			
19.03		\$		0.0 %
19.04		\$		0.0 %
19.05		\$		0.0 %

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (cont.)

20. Amounts and percentages of the reporting entity's total admitted assets subject to the following types of agreements:

	At Year-end		1st Quarter 3	At End of Each Quarter	
	1	2		2nd Quarter 4	3rd Quarter 5
20.01 Securities lending agreements (do not include assets held as collateral for such transactions)	\$	0.0 %	\$	\$	\$
20.02 Repurchase agreements	\$	0.0 %	\$	\$	\$
20.03 Reverse repurchase agreements	\$	0.0 %	\$	\$	\$
20.04 Dollar repurchase agreements	\$	0.0 %	\$	\$	\$
20.05 Dollar reverse repurchase agreements	\$	0.0 %	\$	\$	\$

21. Amounts and percentages of the reporting entity's total admitted assets for warrants not attached to other financial instruments, options, caps, and floors:

	Owned		3	Written	
	1	2		4	5
21.01 Hedging	\$	0.0 %	\$	0.0 %	%
21.02 Income generation	\$	0.0 %	\$	0.0 %	%
21.03 Other	\$	0.0 %	\$	0.0 %	%

22. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for collars, swaps, and forwards:

	At Year-end		1st Quarter 3	At End of Each Quarter	
	1	2		2nd Quarter 4	3rd Quarter 5
22.01 Hedging	\$	0.0 %	\$	\$	\$
22.02 Income generation	\$	0.0 %	\$	\$	\$
22.03 Replications	\$	0.0 %	\$	\$	\$
22.04 Other	\$	0.0 %	\$	\$	\$

23. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for futures contracts:

	At Year-end		1st Qtr 3	At End of Each Quarter	
	1	2		2nd Qtr 4	3rd Qtr 5
23.01 Hedging	\$	0.0 %	\$	\$	\$
23.02 Income generation	\$	0.0 %	\$	\$	\$
23.03 Replications	\$	0.0 %	\$	\$	\$
23.04 Other	\$	0.0 %	\$	\$	\$

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SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

LONG-TERM CARE (LTC) EXPERIENCE REPORTING FORM - A
 NATIONWIDE EXPERIENCE
 PART 1 – LTC INSURANCE EXPERIENCE BY CALENDAR DURATION
 (TO BE FILED BY APRIL 1)

NAIC Group Code 0000									NAIC Company Code 10362	
Calendar Duration	Policy Form	First Year Issued	Earned Premiums by Duration	Incurred and Paid	Reserve for Incurred but Unpaid	Total Incurred Claims	Change in Policy (Active Life) Reserves Over the Experience Period	Anticipated Calendar Duration Loss Percentage	Number of Insured Lives	
.0						0				
.1	XXX	XXX				0				
.2	XXX	XXX				0				
.3	XXX	XXX				0				
.4	XXX	XXX				0				
.5-9	XXX	XXX				0				
10+	XXX	XXX				0				
Total Calendar Year			0			0		XXX	0	

Policy Form - Calendar Year (a) Actual Loss Percentage (Col. 6/Col. 3)0.0 ; (b) Anticipated Loss Percentage (see Instruction Form A Item 9) (c) Actual to Anticipated Loss Percentage (a/b)0.0

Calendar Duration	Policy Form	First Year Issued	Earned Premiums by Duration	Incurred and Paid	Reserve for Incurred but Unpaid	Total Incurred Claims	Change in Policy (Active Life) Reserves Over the Experience Period	Anticipated Calendar Duration Loss Percentage	Number of Insured Lives
.0									
.1	XXX	XXX							
.2	XXX	XXX							
.3	XXX	XXX							
.4	XXX	XXX							
.5-9	XXX	XXX							
10+	XXX	XXX							
Total Calendar Year								XXX	

Policy Form - Calendar Year (a) Actual Loss Percentage (Col. 6/Col. 3) ; (b) Anticipated Loss Percentage (see Instruction Form A Item 9) (c) Actual to Anticipated Loss Percentage (a/b)

Calendar Duration	Policy Form	First Year Issued	Earned Premiums by Duration	Incurred and Paid	Reserve for Incurred but Unpaid	Total Incurred Claims	Change in Policy (Active Life) Reserves Over the Experience Period	Anticipated Calendar Duration Loss Percentage	Number of Insured Lives
.0									
.1	XXX	XXX							
.2	XXX	XXX							
.3	XXX	XXX							
.4	XXX	XXX							
.5-9	XXX	XXX							
10+	XXX	XXX							
Total Calendar Year								XXX	

Policy Form - Calendar Year (a) Actual Loss Percentage (Col. 6/Col. 3) ; (b) Anticipated Loss Percentage (see Instruction Form A Item 9) (c) Actual to Anticipated Loss Percentage (a/b)

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SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

LONG-TERM CARE (LTC) EXPERIENCE REPORTING FORM – A (Continued)

Part 2 – LTC INSURANCE EXPERIENCE BY LINE OF BUSINESS

	1 Earned Premiums Excluding Reversions	2 Incurred and Paid	3 Reserve for Incurred But Unpaid	4 Total Incurred Claims
1. Individual	NONE			0
2. Group direct response				0
3. Other group				0
4. Total (sum Lines 1 to 3)		0	0	0

Part 3 – EXPERIENCE FOR PRODUCTS PROVIDING LTC INSURANCE OTHER THAN ON A STAND ALONE BASIS

	Premiums and Annuity Considerations		Benefits	
	1	2 Long-Term Care Benefit Component	3 Total	4 Applied to Provide Long- Term Care Benefits
A. Products Providing LTC Benefits With Distinct LTC Premiums	NONE			
1. Individual -- Life				
2. Individual -- Annuity				
3. Individual -- Disability				
4. Individual -- Other				
5. Group -- Life				
6. Group -- Annuity				
7. Group -- Disability				
8. Group -- Other				
B. Products Providing LTC Benefits Without Distinct LTC Premiums				
1. Individual -- Life				
2. Individual -- Annuity				
3. Individual -- Disability				
4. Individual -- Other				
5. Group -- Life				
6. Group -- Annuity				
7. Group -- Disability				
8. Group -- Other				

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SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

LONG-TERM CARE EXPERIENCE REPORTING FORM - B
NATIONWIDE EXPERIENCE
CUMULATIVE CLAIM EXPERIENCE
(TO BE FILED BY APRIL 1)

NAIC Group Code 0000

NAIC Company Code 10362

Calendar Duration	1 Policy Form	2 First Year Issued	3 Actual Reported Premiums	4 Actual Incurred Claims	5 Anticipated Earned Premium	6 Anticipated Incurred Claim	7 Policy Reserves	8 Number of Insured Lives
0								
1	XXX	XXX						
2	XXX	XXX						
3	XXX	XXX						
4	XXX	XXX						
5-9	XXX	XXX						
10+	XXX	XXX						
Cumulative Total			0	0	XXX	XXX	XXX	XXX

NONE

Policy Form - Cumulative (a) Actual Loss Percentage (Col. 4/Col. 3) 0.0 ; (b) Anticipated Loss Percentage (see Instruction Form B Items 9 and 10) ; (c) Actual to Anticipated Loss Percentage (a/b) 0.0

Calendar Duration	1	2	3	4	5	6	7	8
0								
1	XXX	XXX						
2	XXX	XXX						
3	XXX	XXX						
4	XXX	XXX						
5-9	XXX	XXX						
10+	XXX	XXX						
Cumulative Total					XXX	XXX	XXX	XXX

Policy Form - Cumulative (a) Actual Loss Percentage (Col. 4/Col. 3) ; (b) Anticipated Loss Percentage (see Instruction Form B Items 9 and 10) ; (c) Actual to Anticipated Loss Percentage (a/b)

Calendar Duration	1	2	3	4	5	6	7	8
0								
1	XXX	XXX						
2	XXX	XXX						
3	XXX	XXX						
4	XXX	XXX						
5-9	XXX	XXX						
10+	XXX	XXX						
Cumulative Total					XXX	XXX	XXX	XXX

Policy Form - Cumulative (a) Actual Loss Percentage (Col. 4/Col. 3) ; (b) Anticipated Loss Percentage (see Instruction Form B Items 9 and 10) ; (c) Actual to Anticipated Loss Percentage (a/b)

	3	4	5	6	7	8
1. Individual			XXX	XXX	XXX	XXX
2. Group direct response			XXX	XXX	XXX	XXX
3. Other group			XXX	XXX	XXX	XXX
4. Total (sum Lines 1 to 3)		0	XXX	XXX	XXX	XXX
5. Actual total reported experience through statement year			XXX	XXX	XXX	XXX
6. Actual total reported experience through prior year			XXX	XXX	XXX	XXX
7. Calendar year reported experience (Lines 5 minus 6)	0	0	XXX	XXX	XXX	XXX

NONE

Note: a. Was experience prior to 1991 used in preparing this form? Yes [] No []

b. If yes, indicate the calendar years that were included:

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SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

LONG-TERM CARE EXPERIENCE REPORTING FORM - C
EXPERIENCE IN THE STATE OF
CUMULATIVE CLAIM EXPERIENCE
(TO BE FILED BY APRIL 1)

NAIC Group Code 0000

NAIC Company Code 10362

Calendar Duration	1 Policy Form	2 First Year Issued	3 Actual Reported Experience	4 Actual Incurred Claims	5 Anticipated Earned Premium	6 Anticipated Incurred Claim	7 Policy Reserves	8 Number of Insured Lives
0			NONE					
1	XXX	XXX						
2	XXX	XXX						
3	XXX	XXX						
4	XXX	XXX						
5-9	XXX	XXX						
10+	XXX	XXX						
Cumulative Total			0	0	XXX	XXX	XXX	XXX

Policy Form - Cumulative (a) Actual Loss Percentage (Col. 4/Col. 3) : 0.0 ; (b) Anticipated Loss Percentage (see Instruction Form C Items 9 and 10) : ; (c) Actual to Anticipated Loss Percentage (a/b) : 0.0

Calendar Duration	1	2	3	4	5	6	7	8
0								
1	XXX	XXX						
2	XXX	XXX						
3	XXX	XXX						
4	XXX	XXX						
5-9	XXX	XXX						
10+	XXX	XXX						
Cumulative Total					XXX	XXX	XXX	XXX

Policy Form - Cumulative (a) Actual Loss Percentage (Col. 4/Col. 3) : ; (b) Anticipated Loss Percentage (see Instruction Form C Items 9 and 10) : ; (c) Actual to Anticipated Loss Percentage (a/b) :

Calendar Duration	1	2	3	4	5	6	7	8
0								
1	XXX	XXX						
2	XXX	XXX						
3	XXX	XXX						
4	XXX	XXX						
5-9	XXX	XXX						
10+	XXX	XXX						
Cumulative Total					XXX	XXX	XXX	XXX

Policy Form - Cumulative (a) Actual Loss Percentage (Col. 4/Col. 3) : ; (b) Anticipated Loss Percentage (see Instruction Form C Items 9 and 10) : ; (c) Actual to Anticipated Loss Percentage (a/b) :

	3	4	5	6	7	8
1. Individual			XXX	XXX	XXX	XXX
2. Group direct response			XXX	XXX	XXX	XXX
3. Other group			XXX	XXX	XXX	XXX
4. Total (sum Lines 1 to 3)	0	0	XXX	XXX	XXX	XXX
5. Actual total reported experience through statement year			XXX	XXX	XXX	XXX
6. Actual total reported experience through prior year			XXX	XXX	XXX	XXX
7. Calendar year reported experience (Lines 5 minus 6)	0	0	XXX	XXX	XXX	XXX

Note: a. Was experience prior to 1991 used in preparing this form? Yes [] No []
b. If yes, indicate the calendar years that were included.

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* 10362200836000000 *

SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

MEDICARE SUPPLEMENT INSURANCE EXPERIENCE EXHIBIT

For The Year Ended December 31, 2008
(To Be Filed by March 1)
FOR THE STATE OF

NAIC Group Code NAIC Company Code
Address (City, State and Zip Code)
Person Completing This Exhibit
Title Telephone Number

1	2	3	4	5	6	7	8	9	10	Policies Issued Through 2005			Policies Issued in 2006, 2007, 2008				
										11	12		13	14	15	16		17	18
Compliance with OBRA	Policy Form Number	Standardized Medicare Supplement Benefit Plan	Medicare Select	Plan Characteristics	Date Approved	Date Approval Withdrawn	Date Last Amended	Date Closed	Policy Marketing Trade Name	Premiums Earned	Amount	Percent of Premiums Earned	Number of Covered Lives	Premiums Earned	Amount	Percent of Premiums Earned	Number of Covered Lives
0199999 Total Experience on Individual Policies										0	0	0.0	0	0	0	0.0	0
NONE																	
0299999 Total Experience on Group Policies										0	0	0.0	0	0	0	0.0	0

GENERAL INTERROGATORIES

1. If response in Column 1 is no, give complete and full details:
2. Claims address and contact person provided to the Secretary of Health and Human Services as required by 42 U.S.C. 1395ss(c)(3)(E) for this state.
 - 2.1 Address:
 - 2.2 Contact Person and Phone Number:
3. Billing address and contact person for user fees established under 41 U.S.C. 1395u(h)(3)(B).
 - 3.1 Address:
 - 3.2 Contact Person and Phone Number:
4. Explain any policies identified above as policy type "O".

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Medicare Part D Coverage Supplement

NONE

10362200838500000

PREMIUMS ATTRIBUTED TO PROTECTED CELLS EXHIBIT
For The Year Ended December 31, 2008
 (To Be Filed by March 1)

NAIC Group Code NAIC Company Code Employer's ID Number

Line of Business	Premiums				5 Paid	Losses				9 Incurred	Loss Adjustment Expenses		
	1 Attributed	2 Prior Year	3 Current Year	4 Earned Premium		Unpaid December 31			Unpaid December 31		13 Incurred		
						6 Adjusted or in Process	7 Incurred But Not Reported	8 Prior Year Total	10 Paid			11 Current Year	12 Prior Year
1. Fire													
2. Allied lines													
3. Farmowners multiple peril													
4. Homeowners multiple peril													
5. Commercial multiple peril													
6. Mortgage guaranty													
8. Ocean marine													
9. Inland marine													
10. Financial guaranty													
11.1 Medical malpractice - occurrence													
11.2 Medical malpractice - claims-made													
12. Earthquake													
13. Group accident and health													
14. Credit accident and health (group and individual)													
15. Other accident and health													
16. Workers' compensation													
17.1 Other liability - occurrence													
17.2 Other liability - claims-made													
18.1 Products liability - occurrence													
18.2 Products liability - claims-made													
19.1,19.2 Private passenger auto liability													
19.3,19.4 Commercial auto liability													
21. Auto physical damage													
22. Aircraft (all perils)													
23. Fidelity													
24. Surety													
26. Burglary and theft													
27. Boiler and machinery													
28. Credit													
29. International													
30. Warranty													
31. Reinsurance - Nonproportional Assumed Property													
32. Reinsurance - Nonproportional Assumed Liability													
33. Reinsurance - Nonproportional Assumed Financial													
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0	0	0	0	0
35. TOTALS	0	0	0	0	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS													
3401.													
3402.													
3403.													
3498.													
Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	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	0	0	0	0

NONE

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ANNUAL STATEMENT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

REINSURANCE ATTESTATION SUPPLEMENT

ATTESTATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER REGARDING REINSURANCE AGREEMENTS

The Chief Executive Officer and Chief Financial Officer shall attest, under penalties of perjury, with respect to all reinsurance contracts for which the reporting entity is taking credit on its current financial statement, that to the best of their knowledge and belief after diligent inquiry:

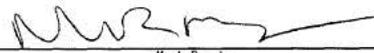
- (I) Consistent with SSAP No. 62—Property and Casualty Reinsurance, there are no separate written or oral agreements between the reporting entity (or its affiliates or companies it controls) and the assuming reinsurer that would under any circumstances, reduce, limit, mitigate or otherwise affect any actual or potential loss to the parties under the reinsurance contract, other than inuring contracts that are explicitly defined in the reinsurance contract except as disclosed herein;
- (II) For each such reinsurance contract entered into, renewed, or amended on or after January 1, 1994, for which risk transfer is not reasonably considered to be self-evident, documentation concerning the economic intent of the transaction and the risk transfer analysis evidencing the proper accounting treatment, as required by SSAP No. 62—Property and Casualty Reinsurance, is available for review;
- (III) The reporting entity complies with all the requirements set forth in SSAP No. 62—Property and Casualty Reinsurance; and
- (IV) The reporting entity has appropriate controls in place to monitor the use of reinsurance and adhere to the provisions of SSAP No. 62—Property and Casualty Reinsurance.

Any exceptions to the aforementioned shall be disclosed in the attestation and an explanation of the exceptions shall be attached to the attestation.

Exceptions

Signed:


 Terry Edwards
 Chief Executive Officer


 Mark Danahy
 Chief Financial Officer

Reinsurance Summary Supplemental Filing

NONE

Schedule SIS

NONE

Schedule SIS II

NONE

Schedule SIS III

NONE

Schedule SIS IV

NONE

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SUPPLEMENT FOR DECEMBER 31, 2008 OF THE Atrium Insurance Corporation

Designate the type of health care providers reported on this page
Physicians

**SUPPLEMENT "A" TO SCHEDULE T
EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY								
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Northern Mariana Islands MP								
57. Canada CN								
58. Aggregate other alien OT	0	0	0	0	0	0	0	0
59. Totals	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS								
5801.								
5802.								
5803.								
5898. Summary of remaining write-ins for Line 58 from overflow page	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803 plus 5898) (Line 58 above)	0	0	0	0	0	0	0	0

NONE

10362200845300000

SUPPLEMENT FOR DECEMBER 31, 2008 OF THE Atrium Insurance Corporation

Designate the type of health care providers reported on this page
Hospitals

**SUPPLEMENT "A" TO SCHEDULE T
EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY								
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Northern Mariana Islands MP								
57. Canada CN								
58. Aggregate other alien OT	0	0	0	0	0	0	0	0
59. Totals	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS								
5801.								
5802.								
5803.								
5898. Summary of remaining write-ins for Line 58 from overflow page	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803 plus 5898) (Line 58 above)	0	0	0	0	0	0	0	0

NONE

10362200845300000

SUPPLEMENT FOR DECEMBER 31, 2008 OF THE Atrium Insurance Corporation

Designate the type of health care providers reported on this page
Other Health Care Professionals

**SUPPLEMENT "A" TO SCHEDULE T
EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY								
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Northern Mariana Islands MP								
57. Canada CN								
58. Aggregate other alien OT	0	0	0	0	0	0	0	0
59. Totals	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS								
5801.								
5802.								
5803.								
5898. Summary of remaining write-ins for Line 58 from overflow page	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803 plus 5898) (Line 58 above)	0	0	0	0	0	0	0	0

NONE

10362200845300000

SUPPLEMENT FOR DECEMBER 31, 2008 OF THE Atrium Insurance Corporation

Designate the type of health care providers reported on this page
Other Health Care Facilities

**SUPPLEMENT "A" TO SCHEDULE T
EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY								
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Northern Mariana Islands MP								
57. Canada CN								
58. Aggregate other alien OT	0	0	0	0	0	0	0	0
59. Totals	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS								
5801.								
5802.								
5803.								
5898. Summary of remaining write-ins for Line 58 from overflow page	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803 plus 5898) (Line 58 above)	0	0	0	0	0	0	0	0

NONE

10362200845300000

SUPPLEMENT FOR DECEMBER 31, 2008 OF THE Atrium Insurance Corporation

Designate the type of health care providers reported on this page
 Medical Malpractice Policies

**SUPPLEMENT "A" TO SCHEDULE T
 EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN
 ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY								
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Northern Mariana Islands MP								
57. Canada CN								
58. Aggregate other alien OT	0	0	0	0	0	0	0	0
59. Totals	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS								
5801.								
5802.								
5803.								
5898. Summary of remaining write-ins for Line 58 from overflow page	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803 plus 5898) (Line 58 above)	0	0	0	0	0	0	0	0

NONE

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SUPPLEMENTAL EXHIBIT FOR THE YEAR 2008 OF THE Atrium Insurance Corporation

SUPPLEMENTAL COMPENSATION EXHIBIT

For The Year Ended December 31, 2008
(To be filed by March 1)

PART 1 - INTERROGATORIES

- The reporting insurer is a member of a group of insurers or other holding company system: Yes No If yes, do the amounts below represent
 1) total gross compensation paid to each individual by or on behalf of all companies which are part of the group: Yes ; or 2) allocation to each insurer: Yes .
- Did any person while an officer, director, or trustee of the reporting entity receive directly or indirectly, during the period covered by this statement any commission on the business transactions of the reporting entity? Yes No
- Except for retirement plans generally applicable to its staff employees, has the reporting entity any agreement with any person, other than contracts with its agents for the payment of commission whereby it agrees that for any service rendered or to be rendered, that he/she shall receive directly or indirectly, any salary, compensation or employment that will extend beyond a period of 12 months from the date of the agreement? Yes No

PART 2 - OFFICERS AND EMPLOYEES COMPENSATION

1 Name and Principal Position	2 Year	Annual Compensation			
		3 Salary	4 Bonus	5 All Other Compensation	6 Totals
Chief Executive Officer -	2008				0
	2007				0
	2006				0
1. Mark Danahy - SVP & CFO	2008	31,000			31,000
Mark Danahy - SVP & CFO	2007	31,000			31,000
Mark Danahy - SVP & CFO	2006	31,000			31,000
2. Mike Bogansky	2008	8,000			8,000
Mike Bogansky	2007	8,000			8,000
Mike Bogansky	2006	8,000			8,000
3. Janice Vorndran	2008	25,941			25,941
Janice Vorndran	2007	25,941			25,941
Janice Vorndran	2006	25,941			25,941
4.	2008				0
	2007				0
Natalie Pawlak	2006	36,400			36,400
5. Chris Bowen-Ashwin	2008	39,947			39,947
Chris Bowen-Ashwin	2007	36,400			36,400
	2006				0
6.	2008				0
	2007				0
	2006				0
7.	2008				0
	2007				0
	2006				0
8.	2008				0
	2007				0
	2006				0
9.	2008				0
	2007				0
	2006				0

PART 3 - DIRECTOR COMPENSATION

1 Name and Principal Position or Occupation	2 Compensation Paid or Deferred for Services as Director	3 All Other Compensation Paid or Deferred	4 Totals
Spiro Bantis - Director	15,000		15,000

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SUPPLEMENT FOR THE YEAR 2008 OF THE U.S. BRANCH OF THE Atrium Insurance Corporation

Trusteed Surplus Statement

AFFIDAVIT OF U.S. MANAGERS, GENERAL AGENTS OR ATTORNEYS

_____ being duly sworn, says that he/she is the _____ of the _____

a corporation organized under the laws of _____, entered to transact business in the United States through the State of _____, that this trusteed surplus statement together with its related schedules appended hereto is a true statement of the trusteed surplus of said corporation, that the several items of assets, as hereinafter enumerated, are the absolute property of said corporation, free and clear from any liens or claims thereon, except as hereinafter stated, and that each and all of the hereinafter mentioned assets are held in the United States by Insurance Departments and Officers of the various States of the United States and Trustees as hereinafter indicated, and that the assets, liabilities and deductions therefrom reported in this statement are in accordance with the instructions accompanying this statement.

Subscribed and sworn to before me this _____ day of _____ A.D., 2009

AFFIDAVIT OF TRUSTEE - SCHEDULE B

_____ being sworn, say that it is the Trustee of the _____ a corporation organized under the laws of _____, entered to transact business in the United States through the State of _____ located at _____, that the assets listed in Schedule B of the following statement are held by it as such Trustee within the United States, and that the said assets are subject to no other claims than those of policyholders and creditors within the United States.

Subscribed and sworn to before me this _____ day of _____ A.D., 2009

NONE

AFFIDAVIT OF TRUSTEE - SCHEDULE C

_____ being sworn, say that it is the Trustee of the _____ a corporation organized under the laws of _____, entered to transact business in the United States through the State of _____ located at _____, that the assets listed in Schedule C of the following statement are held by it as such Trustee within the United States, and that the said assets are subject to no other claims than those of policyholders and creditors within the United States.

Subscribed and sworn to before me this _____ day of _____ A.D., 2009

AFFIDAVIT OF TRUSTEE - SCHEDULE D

_____ being sworn, say that it is the Trustee of the _____ a corporation organized under the laws of _____, entered to transact business in the United States through the State of _____ located at _____, that the assets listed in Schedule D of the following statement are held by it as such Trustee within the United States, and that the said assets are subject to no other claims than those of policyholders and creditors within the United States.

Subscribed and sworn to before me this _____ day of _____ A.D., 2009

Trusted Surplus Statement

ASSETS

SCHEDULE A - DEPOSITS WITH STATE OFFICERS (EXCLUDING SPECIAL DEPOSITS)

1 Line Number	2 Description	3 Admitted Asset Value	4 Par Value	5 Fair Value
NONE				
1.98	Accrued Investment Income		XXX	XXX
1.99	Totals	0	0	0

SCHEDULE B - DEPOSITS WITH UNITED STATES TRUSTEE

Line Number	Description	3 Admitted Asset Value	4 Par Value	5 Fair Value
NONE				
2.98	Accrued Investment Income		XXX	XXX
2.99	Totals	0	0	0

SCHEDULE C - DEPOSITS WITH UNITED STATES TRUSTEE

Line Number	Description	3 Admitted Asset Value	4 Par Value	5 Fair Value
NONE				
3.98	Accrued Investment Income		XXX	XXX
3.99	Totals	0	0	0

SCHEDULE D - DEPOSITS WITH UNITED STATES TRUSTEE

Line Number	Description	3 Admitted Asset Value	4 Par Value	5 Fair Value
NONE				
4.98	Accrued Investment Income		XXX	XXX
4.99	Totals	0	0	0

TRUSTEED SURPLUS STATEMENT

LIABILITIES AND TRUSTED SURPLUS

	1 Current Year
1. Total Liabilities	0
ADDITIONS TO LIABILITIES:	
2. Ceded reinsurance balances payable	
3. Agents' credit balances	
4. Aggregate write-ins for other additions to liabilities	0
5. Total additions (Lines 2 + 3 + 4)	0
6. Total (Lines 1 + 5)	0
DEDUCTIONS FROM LIABILITIES:	
7. Reinsurance recoverable on paid losses and loss adjustment expenses:	
7.1 Authorized companies	
7.2 Unauthorized companies	
8. Special State Deposits, not exceeding net liabilities carried on this statement by business in each respective state:	
8.1 Special state deposits (submit schedule)	
8.2 Accrued interest on special state deposits	
9. Agents' balances or uncollected premiums not more than ninety days past due, not exceeding unearned premium reserves carried thereon	
10. Unpaid reinsurance premiums receivable, not exceeding losses and loss adjustment expenses due to reinsured:	
10.1 Authorized companies	
10.2 Unauthorized companies	
11. Aggregate write-ins for other deductions from liabilities	0
12. Total deductions (Lines 7 thru 11)	0
13. Total adjusted liabilities (Line 6 minus Line 12)	0
14. Trusteed surplus	0
15. Total	0
DETAILS OF WRITE-INS	
0401.	
0402.	
0403.	
0498. Summary of remaining write-ins for Line 04 from overflow page	0
0499. Totals (Lines 0401 thru 0403 plus 0498) (Line 4 above)	0
1101.	
1102.	
1103.	
1198. Summary of remaining write-ins for Line 11 from overflow page	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0

NONE

OVERFLOW PAGE FOR WRITE-INS



**COMPANY INFORMATION PAGE (JURAT)
Property Risk-Based Capital
For the Year Ending December 31, 2008**

(A) Company Name Atrium Insurance Corporation

(B) NAIC Group Code 0000 (C) NAIC Company Code 10362 (D) Employer's ID Number 52-1936400

(E) Organized under the Laws of the State of New York

Contact Person for Property/Casualty Risk-Based Capital:

(F) First Name Mark (G) Middle (H) Last Name Danahy

(I) Mail Address of Contact Person 1230 Avenue of the Americas, Suite 766

(J) City New York (K) State NY (L) Zip 10020-

(M) Phone Number of RBC Contact Person 856-917-0186 Email mark.danahy@mortgagefamily.com

(N) Date Prepared 02/20/2009

(O) Preparer (if different than Contact) Mike Bogansky
 First Name Middle Name Last Name

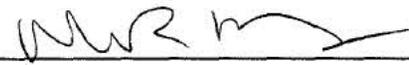
(P) Is this an Original, Amended or Refiling? (O, A, R) Original

(P1) If Amended, Amendment Number

(Q) Were any items that come directly from the annual statement entered manually for this filing? (Y/N) No

Officer: Name	<u>Terry Edwards</u>	<u>William F Brown</u>	<u>Mark Danahy</u>
Officer: Title	President	SVP & Secretary	SVP & CFO

Each says that they are the above described officers of the said insurer, and that this risk-based capital is a true and fair representation of the company's affairs and has been completed in accordance with the NAIC instructions, according to the best of their information, knowledge and belief, respectively.

		
Signature	Signature	Signature

PR001

Atrium Insurance Corporation

SUBSIDIARY, CONTROLLED AND AFFILIATED INVESTMENTS PR003

Affiliate Types	Affil Code	RBC Basis	(1) Number of Companies	(2) RBC Required for Affiliated Common Stock	(3) RBC Required for Affiliated Preferred Stock	(4) RBC Required for Affiliated Bonds	(5) Total RBC Required
(01) Directly Owned P&C Insurance Affiliates.....	1	Sub's RBC After Covariance	0	0	0	0	0
(02) Directly Owned Life Insurance Affiliates.....	2	Sub's RBC After Covariance	0	0	0	0	0
(03) Directly Owned Health Insurance Affiliates.....	3	Sub's RBC After Covariance	0	0	0	0	0
(04) Indirectly Owned P&C Insurance Affiliates.....	4	Sub's RBC After Covariance	0	0	0	0	0
(05) Indirectly Owned Life Insurance Affiliates.....	5	Sub's RBC After Covariance	0	0	0	0	0
(06) Indirectly Owned Health Insurance Affiliates.....	6	Sub's RBC After Covariance	0	0	0	0	0
(07) Investment Subsidiary.....	7	Sub's RBC After Covariance	0	0	0	0	0
(08) Directly Owned Alien Insurance Affiliates.....	8	0.500	0	0	0	0	0
(09) Indirectly Owned Alien Insurance Affiliates.....	9	0.500	0	0	0	0	0
(10) Holding Company in Excess of Indirect Subs.....	10	0.225	0	0	0	0	0
(11) Investment in Parent.....	11	0.225	0	0	0	0	0
(12) Other Affiliate - P&C Ins Not Subj to RBC.....	12	0.225	0	0	0	0	0
(13) Other Affiliate - Life Ins Not Subj to RBC.....	13	0.225	0	0	0	0	0
(14) Other Affiliate - Health Insurance Not Subject to RBC.....	14	0.225	0	0	0	0	0
(15) Other Affiliate - Non insurer	15	0.225	0	0	0	0	0
(16) Total			0	0	0	0	0

PR003

Atrium Insurance Corporation

SUMMARY FOR SUBSIDIARY, CONTROLLED AND AFFILIATED INVESTMENTS FOR CROSS-CHECKING STATEMENT VALUES PR004
Affiliated Preferred Stock

Schedule D Part 6 Section 1 C8	Preferred Stock			
	Annual Statement Line Number	(1) Annual Statement Total Preferred Stock	(2) Total From RBC Report	(3) Difference
(1) Parent.....	0199999	0	0	0
(2) U.S. P&C Insurer.....	0299999	0	0	0
(3) U.S. Life Insurer.....	0399999	0	0	0
(4) U.S. Health Insurer.....	0499999	0	0	0
(5) Alien Insurer.....	0599999	0	0	0
(6) Non-Insurer Which Controls Insurer.....	0699999	0	0	0
(7) Investment Subsidiary.....	0799999	0	0	0
(8) Other Affiliates.....	0899999	0	0	0
(9) Subtotal	0999999	0	0	0

Affiliated Common Stock

Schedule D Part 6 Section 1, C8	Common Stock			
	Annual Statement Line Number	(1) Annual Statement Total Common Stock	(2) Total From RBC Report	(3) Difference
(10) Parent.....	1099999	0	0	0
(11) U.S. P&C Insurer.....	1199999	0	0	0
(12) U.S. Life Insurer.....	1299999	0	0	0
(13) U.S. Health Insurer.....	1399999	0	0	0
(14) Alien Insurer.....	1499999	0	0	0
(15) Non-Insurer Which Controls Insurer.....	1599999	0	0	0
(16) Investment Subsidiary.....	1699999	0	0	0
(17) Other Affiliates.....	1799999	0	0	0
(18) Subtotal	1899999	0	0	0
(19) Affiliated Bonds (Check to Schedule D, Part 1A, Section 1, C6. L9.7)		0	0	0

PR004

Atrium Insurance Corporation

UNAFFILIATED BONDS PR005

Description	Annual Statement Source Sch D Pt 1A Sn 1	(1) Book/Adjusted Carrying Value	Factor	(2) RBC Requirement
(1) Class 01 – U.S. Government – Direct and Guaranteed	C6 L1.1	0	0.000	0
(2) Class 01 - U.S. Government Agency NOT BACKED BY FULL FAITH AND CREDIT OF THE U.S. GOVERNMENT	Included in C6 L10.1 - L9.1		0.003	0
(3) Total Class 01 Bonds	C6 L10.1	0		
(4) Affiliated Class 01 Bonds	C6 L9.1	0		
(5) Total Other Class 01 Unaffiliated Bonds	L(3) - L(4) - L(1) - L(2)	0	0.003	0
(6) Total Class 02 Bonds	C6 L10.2	0		
(7) Affiliated Class 02 Bonds	C6 L9.2	0		
(8) Total Class 02 Unaffiliated Bonds	L(6) - L(7)	0	0.010	0
(9) Total Class 03 Bonds	C6 L10.3	0		
(10) Affiliated Class 03 Bonds	C6 L9.3	0		
(11) Total Class 03 Unaffiliated Bonds	L(9) - L(10)	0	0.020	0
(12) Total Class 04 Bonds	C6 L10.4	0		
(13) Affiliated Class 04 Bonds	C6 L9.4	0		
(14) Total Class 04 Unaffiliated Bonds	L(12) - L(13)	0	0.045	0
(15) Total Class 05 Bonds	C6 L10.5	0		
(16) Affiliated Class 05 Bonds	C6 L9.5	0		
(17) Total Class 05 Unaffiliated Bonds	L(15) - L(16)	0	0.100	0
(18) Total Class 06 Bonds	C6 L10.6	0		
(19) Affiliated Class 06 Bonds	C6 L9.6	0		
(20) Total Class 06 Unaffiliated Bonds	L(18) - L(19)	0	0.300	0
(21) Subtotal - Bonds Subject to Bond Size Factor	L(5)+L(8)+L(11)+L(14)+L(17)+L(20)	0		0
(22) Number of Issuers				
(23) Bond Size Factor				1.500
(24) Bond Size Factor RBC = L(21) x L(23)				0
(25) Total Unaffiliated Bonds RBC = L(1) + L(2) + L(21) + L(24)		0		0

PR005

Atrium Insurance Corporation

UNAFFILIATED PREFERRED AND COMMON STOCK PR006

Description	Annual Statement Source	(1) Book/Adjusted Carrying Value	Factor	(2) RBC Requirement
Unaffiliated Preferred Stock				
(1) Class 01 – Preferred Stock (excluding Hybrids)	Sch D Part 2 Sn 1		0.003	0
(2) Class 02 – Preferred Stock (excluding Hybrids)	Sch D Part 2 Sn 1		0.010	0
(3) Class 03 – Preferred Stock (excluding Hybrids)	Sch D Part 2 Sn 1		0.020	0
(4) Class 04 – Preferred Stock (excluding Hybrids)	Sch D Part 2 Sn 1		0.045	0
(5) Class 05 – Preferred Stock (excluding Hybrids)	Sch D Part 2 Sn 1		0.100	0
(6) Class 06 – Preferred Stock (excluding Hybrids)	Sch D Part 2 Sn 1		0.300	0
(7) Class 01 Hybrids Reported as Preferred Stock	Sch D Part 2 Sn 1		0.003	0
(8) Class 02 Hybrids Reported as Preferred Stock	Sch D Part 2 Sn 1		0.010	0
(9) Class 03 Hybrids Reported as Preferred Stock	Sch D Part 2 Sn 1		0.020	0
(10) Class 04 Hybrids Reported as Preferred Stock	Sch D Part 2 Sn 1		0.045	0
(11) Class 05 Hybrids Reported as Preferred Stock	Sch D Part 2 Sn 1		0.100	0
(12) Class 06 Hybrids Reported as Preferred Stock	Sch D Part 2 Sn 1		0.300	0
(13) Total Unaffiliated Preferred Stock, Including Hybrids (should equal P2 L2.1 C3 less Sch D - Sum C1 L39)	Sum of Ls(1) through (12)	0		0
Unaffiliated Common Stock				
(14) Non-government Money Market Funds	Sch D Pt 2 Sn2 C(6) L(719999)	0	0.003	0
(15) Total Common Stock	Sch D - Summary C1 L54	80,523,484		
(16) Affiliated Common Stock	Sch D - Summary C1 L53	0		
(17) Non-admitted Unaffiliated Common Stock	P2 C2 L2.2 in part			
(18) Other Admitted Unaffiliated Common Stock	L(15) – L(14) – L(16) – L(17)	80,523,484	0.150	12,078,523
(19) Fair Value Excess Affiliated Common Stock	PR002 C(17) L(9999999)			0
(20) Total Admitted Unaffiliated Common Stock	L(14) + L(18) + L(19)	80,523,484		12,078,523

PR006

Atrium Insurance Corporation

OTHER LONG-TERM ASSETS PR007

Description	Annual Statement Source	(1) Book/Adjusted Carrying Value	Factor	(2) RBC Requirement
(1) Company Occupied Real Estate.....	P2 L4.1 C3	0	0.100	0
(2) Encumbrances.....	P2 L4.1, inside item	0	0.100	0
(3) Property Held For the Production of Income	P2 L4.2 C3	0	0.100	0
(4) Property Held For Sale.....	P2 L4.3 C3	0	0.100	0
(5) Encumbrances (Property Held For the Production of Income).....	P2 L4.2, inside item	0	0.100	0
(6) Encumbrances (Property Held For Sale).....	P2 L4.3, inside item	0	0.100	0
(7) Total Real Estate.....	L(1) + L(2) + L(3) + L(4) + L(5) + L(6)	0		0
(8) Mortgage Loans - First Liens.....	P2 L3.1 C3	0	0.050	0
(9) Mortgage Loans - Other Than First Liens.....	P2 L3.2 C3	0	0.050	0
(10) Total Mortgage Loans.....	L(8) + L(9)	0		0
(11) Schedule BA Assets - Total.....	P2 L7 C3	0		
(12) Less: Collateral Loans.....	PR008 L(14)	0		
(13) Schedule BA Assets Excluding Collateral Loans.....	L(11) - L(12)	0	0.200	0
(14) Total Other Long-Term Assets	L(7) + L(10) + L(13)	0		0

PR007

Atrium Insurance Corporation

MISCELLANEOUS ASSETS PR008

Description	Annual Statement Source	(1) Book/Adjusted Carrying Value	Factor	(2) RBC Requirement
(1) Receivable for Securities.....	P2 C3 L8	0	0.050	0
(2) Aggregate W/I for Invested Assets.....	P2 C3 L9	0	0.050	0
(3) Cash	P2 L5, inside amt 1	55,188,888	0.003	165,567
(4) Cash Equivalents.....	P2 L5, inside amt 2	0		
(5) Less: Cash Equivalent, Bonds included in Schedule D, Part 1A.....	Sch E Pt 2 C6 L6099999 in part			
(6) Net Cash Equivalents.....	L(4)-L(5)	0	0.003	0
(7) Short-Term Investments.....	P2 L5, inside amt 3	180,633,510		
(8) Less Short-Term Bonds*.....	Sch DA Pt 1 C7 L6099999	0		
(9) Less Exempt Money Market Mutual Funds*.....	Sch DA Pt 1 C7 L7999999	0		
(10) Less Class One Money Market Mutual Funds*.....	Sch DA Pt 1 C7 L8099999	0		
(11) Total Other Short-Term Investments.....	L(7) - L(8) - L(9) - L(10)	180,633,510	0.003	541,901
(12) Collateral Loans.....	Sch BA Pt 1 C12 L2399999+2499999	0		
(13) Less: Non-admitted Collateral Loans.....	P2 L7 C2 in part			
(14) Net admitted Collateral Loans.....	L(12) - L(13)	0	0.050	0
(15) Total Miscellaneous Assets	L(1) + L(2) + L(3) + L(6) + L(11) + L(14)	235,822,398		707,468

* These bonds appear in Schedule D Part 1A Section 1 and are already recognized in the Bonds portion of the formula.

PR008

Atrium Insurance Corporation

ASSET CONCENTRATION PR010

PR010.1

(1)		(2) Book/Adjusted Carrying Value	Factor	(3) Additional RBC
ISSUER # 1	_____			
1	Class 2 Unaffiliated Bonds.....		0.010	0
2	Class 3 Unaffiliated Bonds.....		0.020	0
3	Class 4 Unaffiliated Bonds.....		0.045	0
4	Class 5 Unaffiliated Bonds.....		0.100	0
5	Collateral Loans.....		0.050	0
6	Mortgage Loans.....		0.050	0
7	SUBTOTAL - FIXED INCOME.....	0		0
8	Class 02 Preferred Stock (excluding Hybrids).....		0.010	0
9	Class 03 Preferred Stock (excluding Hybrids).....		0.020	0
10	Class 04 Preferred Stock (excluding Hybrids).....		0.045	0
11	Class 05 Preferred Stock (excluding Hybrids).....		0.100	0
12	Class 02 Hybrids Reported as Preferred Stock.....		0.010	0
13	Class 03 Hybrids Reported as Preferred Stock.....		0.020	0
14	Class 04 Hybrids Reported as Preferred Stock.....		0.045	0
15	Class 05 Hybrids Reported as Preferred Stock.....		0.100	0
16	Property Held For Production of Income Excluding Home Office.....		0.100	0
17	Property Held For Production of Income Encumbrance Excluding Home Office.....		0.100	0
18	Schedule BA Assets.....		0.100	0
19	Receivable for Securities.....		0.050	0
20	Aggregate Write-ins for Invested Assets.....		0.050	0
21	Unaffiliated Common Stock.....	80,523,484	0.150	12,078,523
22	SUBTOTAL - EQUITY.....	80,523,484		12,078,523
23	TOTAL - ISSUER # 1 (L7 + L22)	80,523,484		12,078,523

Atrium Insurance Corporation

ASSET CONCENTRATION PR010

PR010.GT

(1)		(2) Book/Adjusted Carrying Value	Factor	(3) Additional RBC
COMBINED TOTALS – ALL ISSUERS	Combined Totals - All issuers			
1	Class 2 Unaffiliated Bonds.....	0	0.010	0
2	Class 3 Unaffiliated Bonds.....	0	0.020	0
3	Class 4 Unaffiliated Bonds.....	0	0.045	0
4	Class 5 Unaffiliated Bonds.....	0	0.100	0
5	Collateral Loans.....	0	0.050	0
6	Mortgage Loans.....	0	0.050	0
7	SUBTOTAL - FIXED INCOME.....	0		0
8	Class 02 Preferred Stock (excluding Hybrids).....	0	0.010	0
9	Class 03 Preferred Stock (excluding Hybrids).....	0	0.020	0
10	Class 04 Preferred Stock (excluding Hybrids).....	0	0.045	0
11	Class 05 Preferred Stock (excluding Hybrids).....	0	0.100	0
12	Class 02 Hybrids Reported as Preferred Stock.....	0	0.010	0
13	Class 03 Hybrids Reported as Preferred Stock.....	0	0.020	0
14	Class 04 Hybrids Reported as Preferred Stock.....	0	0.045	0
15	Class 04 Hybrids Reported as Preferred Stock.....	0	0.100	0
16	Property Held For Production of Income Excluding Home Office.....	0	0.100	0
17	Property Held For Production of Income Encumbrance Excluding Home Office.....	0	0.100	0
18	Schedule BA Assets.....	0	0.100	0
19	Receivable for Securities.....	0	0.050	0
20	Aggregate Write-ins for Invested Assets.....	0	0.050	0
21	Unaffiliated Common Stock.....	80,523,484	0.150	12,078,523
22	SUBTOTAL - EQUITY.....	80,523,484		12,078,523
23	GRAND TOTAL – ALL ISSUERS (L7 + L22)	80,523,484		12,078,523

Atrium Insurance Corporation

CREDIT RISK FOR RECEIVABLES PR011

		(1)	(2)	(3)	(4)	
Reinsurance Recoverables		Statement Value *	Applicable Penalty †	Amount Subject to RBC C(1) - C(2)	Factor	RBC Requirement
(1)	Authorized Alien Affiliates.....	Sch F Pt 3, C15, L0399999	.0	.0	0.100	.0
(2)	Authorized U.S. Unaffiliated Insurers.....	Sch F Pt 3, C15, L0599999	.0	.0	0.100	.0
(3)	Authorized Voluntary Pools.....	Sch F Pt 3, C15, L0799999	.0	.0	0.100	.0
(4)	Authorized Alien Unaffiliates.....	Sch F Pt 3, C15, L0899999	.0	.0	0.100	.0
(5)	Unauthorized Alien Affiliates.....	Sch F Pt 3, C15, L1299999	0	0	0.100	0
(6)	Unauthorized U.S. Unaffiliated Insurers.....	Sch F Pt 3, C15, L1499999	.0	.0	0.100	.0
(7)	Unauthorized Voluntary Pools.....	Sch F Pt 3, C15, L1699999	.0	.0	0.100	.0
(8)	Unauthorized Alien Unaffiliates.....	Sch F Pt 3, C15, L1799999	.0	.0	0.100	.0
(9)	Total Reinsurance Recoverable.....		0	0		0
(10)	Federal Income Tax Recoverable.....	P2 C3 L16.1+ 16.2	6,740,257		0.050	337,013
(11)	Guaranty Funds Receivable or on Deposit.....	P2 C3 L17	.0		0.050	.0
(12)	Investment Income Due & Accrued.....	P2 C3 L12	963,877		0.010	9,639
(13)	Recoverable from Parent, Subs, Affiliates.....	P2 C3 L21	.0		0.050	.0
(14)	Amounts Receive relating to Uninsured A&H Plans.....	P2 C3 L15	.0		0.050	.0
(15)	Aggregate W/I for Other Than Invested Assets.....	P2 C3 L23	6,906		0.050	345
(16)	Total Credit RBC = C3 L(09) + Sum of C1 L(10) through L(15)		7,711,040			346,997

PR011

^ Schedule F data should be brought to full dollar amount by multiplying 1000.

† Column 2 Line 9: Applicable Penalty for Total Reinsurance Recoverables should equal AST page 3 Line 16 less PR035 line 1 through line 3.

Atrium Insurance Corporation

HEALTH CREDIT RISK PR012

Description	PRBC Data Source	(1) Amount	Factor	(2) RBC Requirement
Capitations to Intermediaries				
(1) Total Capitations Paid Directly to Providers.....	PR020 Underwriting Risk Managed Care Credit Column (2) Line (5)	0		
(2) Less Secured Capitations to Providers*	Company Records	0	*	
(3) Net Capitations to Providers Subject to Credit Risk Charge.....	Line (1) - Line (2)	0	0.020	0
(4) Total Capitations to Intermediaries.....	PR020 Column (2) Lines (6) + (7)	0		
(5) Less Secured Capitations to Intermediaries*.....	Company Records	0	*	
(6) Net Capitations to Intermediaries Subject to Credit Risk Charge.....	Line (4) - Line (5)	0	0.040	0
(7) Capitation Credit Risk RBC.....	Line (3) + Line (6)			0
Health ASO/ASC Credit Risk				
(8) ASC Claims Reported as Incurred Claims.....	Company Records		0.010	0
(9) Other Medical Costs Paid through ASC Arrangements.....	Company Records		0.010	0
(10) Fee-for-Service Received from Health Insurer.....	Company Records		0.010	0
(11) Total Health ASO/ASC Credit Risk	Line (8) + Line (9) + Line (10)			0
(12) Total Health Credit Risk	Line (7) + Line (11)			0

* Enter amounts of secured capitation in RBC Page PRCPT on filing software

PR012

Atrium Insurance Corporation

MISCELLANEOUS OFF-BALANCE SHEET ITEMS PR013

PR013

Description	Annual Statement Source	(1) Statement Value	Factor	(2) RBC Requirement
(1) Non-controlled Assets.....	General Interrogatories Part 1 L22.5	0	0.002	0
(2) Non-controlled Assets.....	General Interrogatories Part 1 L22.6	0	0.010	0
(3) Non-controlled Assets.....	General Interrogatories Part 1 L23.21	0	0.010	0
(4) Non-controlled Assets.....	General Interrogatories Part 1 L23.22	0	0.010	0
(5) Non-controlled Assets.....	General Interrogatories Part 1 L23.23	0	0.010	0
(6) Non-controlled Assets.....	General Interrogatories Part 1 L23.24	0	0.010	0
(7) Non-controlled Assets.....	General Interrogatories Part 1 L23.25	0	0.010	0
(8) Non-controlled Assets.....	General Interrogatories Part 1 L23.26	0	0.010	0
(9) Non-controlled Assets.....	General Interrogatories Part 1 L23.27	0	0.010	0
(10) Non-controlled Assets.....	General Interrogatories Part 1 L23.28	0	0.010	0
(11) Non-controlled Assets.....	General Interrogatories Part 1 L23.29	0	0.010	0
(12) Total Non-controlled Assets.....	Sum of Line (1) through Line (11)	0		0
(13) Guarantees for Affiliates.....	Notes to Financial Statements Item 10e	0	0.010	0
(14) Contingent Liabilities.....	Notes to Financial Statements Item 14a1 + Item 26a Amount 2 Unrecorded Loss Contingencies	0	0.010	0
(15) Total Miscellaneous Off-Balance Sheet Items = L(12) + L(13) + L(14)		0		0

Atrium Insurance Corporation

OFF-BALANCE SHEET COLLATERAL PR014

Asset Category	Annual Statement Source	(1) Book/Adjusted Carrying Value	Factor	(2) RBC Requirement
Fixed Income Assets - Bonds				
(1) Class 01 - U.S. Government - Direct and Guaranteed.....	Company Records		0.000	0
(2) Other Class 01 Bonds.....	Company Records		0.003	0
(3) Total Class 01 Bonds.....	L(1) + L(2)	0		0
(4) Total Class 02 Bonds.....	Company Records		0.010	0
(5) Total Class 03 Bonds.....	Company Records		0.020	0
(6) Total Class 04 Bonds.....	Company Records		0.045	0
(7) Total Class 05 Bonds.....	Company Records		0.100	0
(8) Total Class 06 Bonds.....	Company Records		0.300	0
(9) Total Bonds.....	L(3)+L(4)+L(5)+L(6)+L(7)+L(8)	0		0
Equity Assets				
Preferred Stock - Unaffiliated				
(10) Class 01 Unaffiliated Preferred Stock.....	Company Records		0.003	0
(11) Class 02 Unaffiliated Preferred Stock.....	Company Records		0.010	0
(12) Class 03 Unaffiliated Preferred Stock.....	Company Records		0.020	0
(13) Class 04 Unaffiliated Preferred Stock.....	Company Records		0.045	0
(14) Class 05 Unaffiliated Preferred Stock.....	Company Records		0.100	0
(15) Class 06 Unaffiliated Preferred Stock.....	Company Records		0.300	0
(16) Total Unaffiliated Preferred Stock.....	L(10)+L(11)+L(12)+L(13)+L(14)+L(15)	0		0
(17) Common Stock.....	Company Records		0.150	0
(18) Schedule BA - Other Invested Assets.....	Company Records		0.200	0
(19) Other Invested Assets.....	Company Records		0.200	0
(20) Total.....	L(9)+L(16)+L(17)+L(18)+L(19)	0		0

PR014

Atrium Insurance Corporation

EXCESSIVE PREMIUM GROWTH (PR015)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Description	Company Gross Written Premiums*	Company Adjustments	Group Gross Written Premiums*	Group Adjustments	Selected Adjusted Gross Written Premium	Statement Value	Factor	RBC Requirement	
(1) 2008	37,918,283		0		37,918,283	XXX		XXX	
(2) 2007	32,444,098		0		32,444,098	XXX		XXX	
(3) 2006	36,103,057		0		36,103,057	XXX		XXX	
(4) 2005	41,901,990		0		41,901,990	XXX		XXX	
(5) 2008 Growth Rate = [L(1) - L(2)]/L(2)								0.169	
(6) 2007 Growth Rate = [L(2) - L(3)]/L(3)								(0.101)	
(7) 2006 Growth Rate = [L(3) - L(4)]/L(4)								(0.138)	
(8) Three Year Average Growth Rate								(0.023)	
(9) Two Year Average Growth Rate								0.034	
(10) One Year Average Growth Rate								0.169	
(11) Selected Average Growth Rate								(0.023)	
(12) RBC Average Growth Rate = L(11) - 10%, capped to fall between 0% and 30%								0.000	
(13) Excessive Growth Charge Applied to Loss/Expense Reserve from Schedule P Summary C24 L12 x 1000 (in whole dollars)						83,324,956	0.000	0	
(14) Excessive Growth Charge Applied to Net Written Premiums from U&I Exhibit Pt 1B C6 L35						37,918,283	0.000	0	

*Enter Company and Group Gross Written Premiums in PR034.

PR015

Name Of Involuntary Residual Market (Servicing Carrier only)	Adjustment Amount
9999999 Total	0

Atrium Insurance Corporation

UNDERWRITING RISK - RESERVES (PR016)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SCH P LINE OF BUSINESS	H/F	PPA	CA	WC	CMP	MM OCCURRENCE	MM CLMS MADE	SL
(1) INDUSTRY AVERAGE DEVELOPMENT	0.983	1.003	1.045	1.033	1.034	1.343	1.083	1.060
(2) COMPANY DEVELOPMENT	0.983	1.003	1.045	1.033	1.034	1.343	1.083	1.060
(3) LINE (2)/ LINE (1)	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
(4) INDUSTRY LOSS & EXPENSE RBC %	0.230	0.221	0.254	0.310	0.403	0.490	0.269	0.242
(5) COMPANY RBC % (4) x (3) x .5 + (4) x .5	0.230	0.221	0.254	0.310	0.403	0.490	0.269	0.242
(6) LOSS EXPENSE UNPAID SCHEDULE P PART 1 (in 000s)	0	0	0	0	0	0	0	0
(7) OTHER DISCOUNT AMOUNT NOT INCLUDED IN LOSS + EXPENSE UNPAID IN SCHEDULE P PART 1 (in 000s)	0	0	0	0	0	0	0	0
(8) ADJUSTMENT FOR INVESTMENT INCOME	0.939	0.927	0.909	0.835	0.884	0.869	0.893	0.901
(9) CASE LOSS+EXPENSE RESERVE RISK-BASED CAPITAL (000s) MAX {0,[(5) + 1] x (8) - 1] x [(6) + (7)]}; zero if Line [(6) + (7)] is negative	0	0	0	0	0	0	0	0
(10) % DIRECT LOSS SENS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(11) % ASSUMED LOSS SENS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(12) LOSS SENSITIVE DISCOUNT (in 000s)	0	0	0	0	0	0	0	0
(13) LOSS + EXPENSE RBC AFTER DSCT (in 000s) L(09) - L(12)	0	0	0	0	0	0	0	0
(14) LOSS CONCENTRATION FACTOR								
(15) NET LOSS + EXPENSE RBC x 1000 (converted to whole dollars)								

PR016

	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
SCH P LINE OF BUSINESS	OL	FIDELITY/ SURETY	SPECIAL PROPERTY	AUTO PHYSICAL DAMAGE	OTHER (CREDIT, A&H)	FINANCIAL/ MORTGAGE GUARANTY	INTL	REIN. PROPERTY & FINANCIAL LINES
(1) INDUSTRY AVERAGE DEVELOPMENT	1.006	1.290	1.102	1.110	1.325	1.483	1.175	1.025
(2) COMPANY DEVELOPMENT	1.006	1.290	1.102	1.110	1.325	1.483	1.175	1.025
(3) LINE (2)/ LINE (1)	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
(4) INDUSTRY LOSS & EXPENSE RBC %	0.478	0.280	0.165	0.135	0.164	0.150	0.327	0.256
(5) COMPANY RBC % (4) x (3) x .5 + (4) x .5	0.478	0.280	0.165	0.135	0.164	0.150	0.327	0.256
(6) LOSS EXPENSE UNPAID SCHEDULE P PART 1 (in 000s)	0	0	0	0	0	0	0	83,325
(7) OTHER DISCOUNT AMOUNT NOT INCLUDED IN LOSS + EXPENSE UNPAID IN SCHEDULE P PART 1 (in 000s)	0	0	0	0	0	0	0	0
(8) ADJUSTMENT FOR INVESTMENT INCOME	0.862	0.957	0.966	0.975	0.964	0.962	0.877	0.901
(9) CASE LOSS+EXPENSE RESERVE RISK-BASED CAPITAL (000's) MAX {0,[(5) + 1] x (8) - 1] x [(6) + (7)]}; zero if Line [(6) + (7)] is negative	0	0	0	0	0	0	0	10,970
(10) % DIRECT LOSS SENS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(11) % ASSUMED LOSS SENS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(12) LOSS SENSITIVE DISCOUNT (in 000s)	0	0	0	0	0	0	0	0
(13) LOSS + EXPENSE RBC AFTER DSCT (in 000's) L(09) - L(12)	0	0	0	0	0	0	0	10,970
(14) LOSS CONCENTRATION FACTOR								
(15) NET LOSS + EXPENSE RBC x 1000 (converted to whole dollars)								

Atrium Insurance Corporation

UNDERWRITING RISK - RESERVES (PR016) (Continued)

	(17) REIN. LIABILITY	(18) PL	(19) WARRANTY	(20) TOTAL
SCH P LINE OF BUSINESS				
(1) INDUSTRY AVERAGE DEVELOPMENT	1.314	1.109	1.290	XXX
(2) COMPANY DEVELOPMENT	1.314	1.109	1.290	XXX
(3) LINE (2)/ LINE (1)	1.000	1.000	1.000	XXX
(4) INDUSTRY LOSS & EXPENSE RBC %	0.678	0.571	0.280	XXX
(5) COMPANY RBC % (4) x (3) x .5 + (4) x .5	0.678	0.571	0.280	XXX
(6) LOSS EXPENSE UNPAID SCHEDULE P PART 1 (in 000s)	0	0	0.000	83,325
(7) OTHER DISCOUNT AMOUNT NOT INCLUDED IN LOSS + EXPENSE UNPAID IN SCHEDULE P PART 1 (in 000s)	0	0	0.000	0
(8) ADJUSTMENT FOR INVESTMENT INCOME	0.834	0.838	0.957	XXX
(9) CASE LOSS+EXPENSE RESERVE RISK-BASED CAPITAL (000's) MAX (0,[(5) + 1] x (8) - 1] x [(6) + (7)]) zero if Line [(6) + (7)] is negative	0	0	0.000	10,970
(10) % DIRECT LOSS SENS	0.0	0.0	0.000	XXX
(11) % ASSUMED LOSS SENS	0.0	0.0	0.000	XXX
(12) LOSS SENSITIVE DISCOUNT (in 000s)	0	0	0.000	0
(13) LOSS + EXPENSE RBC AFTER DSCT (in 000's) L(09) - L(12)	0	0	0.000	10,970
(14) LOSS CONCENTRATION FACTOR				1.000
(15) NET LOSS + EXPENSE RBC x 1000 (converted to whole dollars)				10,970,000

PR016.1

Atrium Insurance Corporation

UNDERWRITING RISK - NET WRITTEN PREMIUMS (PR017)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SCH P LINE OF BUSINESS	H/F	PPA	CA	WC	CMP	MM OCCURRENCE	MM CLMS MADE	SL
(1) INDUSTRY AVERAGE LOSS & EXPENSE RATIO	0.742	0.831	0.763	0.830	0.710	1.195	1.003	0.709
(2) COMPANY AVERAGE LOSS & EXPENSE RATIO	0.742	0.831	0.763	0.830	0.710	1.195	1.003	0.709
(3) LINE (2)/ LINE (1)	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
(4) INDUSTRY LOSS & EXPENSE RATIO	0.927	1.014	1.005	1.031	0.924	1.727	1.047	0.918
(5) COMPANY RBC LOSS & EXPENSE RATIO (3)x(4)x.5+(4)x.5	0.927	1.014	1.005	1.031	0.924	1.727	1.047	0.918
(6) COMPANY UNDERWRITING EXPENSE RATIO	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
(7) ADJUSTMENT FOR INVESTMENT INCOME	0.951	0.921	0.883	0.832	0.888	0.778	0.835	0.897
(8) C/Y NET WRITTEN PREMIUM (in 000s)	0	0	0	0	0	0	0	0
(9) BASE WRITTEN PREMIUM RISK-BASED CAPITAL (in 000s)								
MAX [(0, (8) x [(5) x (7) + (6) - 1]]	0	0	0	0	0	0	0	0
(10) % DIRECT LOSS SENS WP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(11) % ASSUMED LOSS SENS WP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(12) LOSS SENSITIVE DISCOUNT - WP (in 000s)	0	0	0	0	0	0	0	0
(13) NWP RBC AFTER DSCT (in 000s)	0	0	0	0	0	0	0	0
(14) PREMIUM CONCENTRATION FACTOR								
(15) NET WRITTEN PREMIUM RBC x 1000 (converted to whole dollars)								

	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
SCH P LINE OF BUSINESS	OL	FIDELITY/ SURETY	SPECIAL PROPERTY	AUTO PHYSICAL DAMAGE	OTHER (CREDIT, A&H)	FINANCIAL/ MORTGAGE GUARANTY	INTL	REIN. PROPERTY & FINANCIAL LINES
(1) INDUSTRY AVERAGE LOSS & EXPENSE RATIO	0.738	0.583	0.590	0.705	0.737	0.805	0.930	0.977
(2) COMPANY AVERAGE LOSS & EXPENSE RATIO	0.738	0.583	0.590	0.705	0.737	0.805	0.930	0.977
(3) LINE (2)/ LINE (1)	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
(4) INDUSTRY LOSS & EXPENSE RATIO	1.045	0.863	0.985	0.847	0.876	1.400	1.169	1.273
(5) COMPANY RBC LOSS & EXPENSE RATIO (3)x(4)x.5+(4)x.5	1.045	0.863	0.985	0.847	0.876	1.400	1.169	1.273
(6) COMPANY UNDERWRITING EXPENSE RATIO	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
(7) ADJUSTMENT FOR INVESTMENT INCOME	0.820	0.921	0.944	0.972	0.956	0.916	0.901	0.884
(8) C/Y NET WRITTEN PREMIUM (in 000s)	0	0	0	0	0	0	0	37,918
(9) BASE WRITTEN PREMIUM RISK BASED-CAPITAL (in 000's)								
MAX [(0, (8) x [(5) x (7) + (6) - 1]]	0	0	0	0	0	0	0	9,492
(10) % DIRECT LOSS SENS WP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(11) % ASSUMED LOSS SENS WP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(12) LOSS SENSITIVE DISCOUNT - WP (in 000s)	0	0	0	0	0	0	0	0
(13) NWP RBC AFTER DSCT (in 000s)	0	0	0	0	0	0	0	9,492
(14) PREMIUM CONCENTRATION FACTOR								
(15) NET WRITTEN PREMIUM RBC x 1000 (converted to whole dollars)								

PR017

Atrium Insurance Corporation

UNDERWRITING RISK - NET WRITTEN PREMIUMS (PR017) (Continued)

	(17) REIN. LIABILITY	(18) PL	(19) WARRANTY	(20) TOTAL
SCH P LINE OF BUSINESS				
(1) INDUSTRY AVERAGE LOSS & EXPENSE RATIO	1.165	0.802	0.583	XXX
(2) COMPANY AVERAGE LOSS & EXPENSE RATIO	1.165	0.802	0.583	XXX
(3) LINE (2)/ LINE (1)	1.000	1.000	1.000	XXX
(4) INDUSTRY LOSS & EXPENSE RATIO	1.354	1.164	0.863	XXX
(5) COMPANY RBC LOSS & EXPENSE RATIO (3)x(4)x.5+(4)x.5	1.354	1.164	0.863	XXX
(6) COMPANY UNDERWRITING EXPENSE RATIO	0.125	0.125	0.125	XXX
(7) ADJUSTMENT FOR INVESTMENT INCOME	0.810	0.778	0.921	XXX
(8) C/Y NET WRITTEN PREMIUM (in 000s)	0	0	0	37,918
(9) BASE WRITTEN PREMIUM RISK BASED-CAPITAL (in 000's)				
MAX {0, (8) x [(5) x (7) + (6) - 1]}	0	0	0	9,492
(10) % DIRECT LOSS SENS WP	0.0	0.0	0.0	XXX
(11) % ASSUMED LOSS SENS WP	0.0	0.0	0.0	XXX
(12) LOSS SENSITIVE DISCOUNT - WP (in 000s)	0	0	0	0
(13) NWP RBC AFTER DSCT (in 000s)	0	0	0	9,492
(14) PREMIUM CONCENTRATION FACTOR				1.000
(15) NET WRITTEN PREMIUM RBC x 1000 (converted to whole dollars)				9,492,000

PR017.1

Atrium Insurance Corporation

HEALTH PREMIUMS (PR018)

Description	Annual Statement Source	(1) Statement Value	Factor	(2) RBC Requirement
Medical Insurance Premium - Individual Morbidity				
(1) Usual and Customary Major Medical and Hospital	Earned Premium (Schedule H Part 1, Line 2 in part)		†	XXX
(2) Medicare Supplement	Earned Premium (Schedule H Part 1, Line 2 in part)		†	XXX
(3) Dental & Vision	Earned Premium (Schedule H Part 1, Line 2 in part)		†	XXX
(3.1) Medicare Part D Coverage	Earned Premium (Schedule H Part 1, Line 2 in part)		†	XXX
(3.2) Supplemental benefits within Part D Coverage	Earned Premium (Schedule H Part 1, Line 2 in part)		0.120 *	0
(4) Hospital Indemnity and Specified Disease *	Earned Premium (Schedule H Part 1, Line 2 in part)		0.035 *	0
(5) AD&D (Maximum Retained Risk per Life)	Earned Premium (Schedule H Part 1, Line 2 in part)		‡	0
(6) Other Accident	Earned Premium (Schedule H Part 1, Line 2 in part)		0.050	0
Medical Insurance Premium - Group and Credit Morbidity				
(7) Usual and Customary Major Medical, Hospital	Earned Premium (Schedule H Part 1, Line 2 in part)		†	XXX
(8) Dental & Vision	Earned Premium (Schedule H Part 1, Line 2 in part)		†	XXX
(9) Stop Loss and Minimum Premium	Earned Premium (Schedule H Part 1, Line 2 in part)		0.250	0
(10) Medicare Supplement	Earned Premium (Schedule H Part 1, Line 2 in part)		†	XXX
(10.1) Medicare Part D Coverage (see instructions for limits)	Earned Premium (Schedule H Part 1, Line 2 in part)		†	XXX
(10.2) Supplemental benefits within Part D Coverage	Earned Premium (Schedule H Part 1, Line 2 in part)		0.120 *	0
(11) Hospital Indemnity and Specified Disease *	Earned Premium (Schedule H Part 1, Line 2 in part)		0.035 *	0
(12) AD&D (Maximum Retained Risk per Life)	Earned Premium (Schedule H Part 1, Line 2 in part)		‡	0
(13) Other Accident	Earned Premium (Schedule H Part 1, Line 2 in part)		0.050	0
(14) Federal Employee Health Benefit Plan	Earned Premium (Schedule H Part 1, Line 2 in part)		0.000	0
Disability Income Premium				
(15) Noncancellable Disability Income - Individual Morbidity	Earned Premium (Schedule H Part 1, Line 2 in part)		‡	0
(16) Other Disability Income - Individual Morbidity	Earned Premium (Schedule H Part 1, Line 2 in part)		‡	0
(17) Disability Income – Credit Monthly Balance Plans	Earned Premium (Schedule H Part 1, Line 2 in part)		‡	0
(18) Disability Income – Group Long-Term	Earned Premium (Schedule H Part 1, Line 2 in part)		‡	0
(19) Disability Income – Credit Single Premium with Additional Reserve	Earned Premium (Schedule H Part 1, Line 2 in part)		‡	0
(20) Disability Income - Credit Single Premium without Additional Reserve	Earned Premium (Schedule H Part 1, Line 2 in part)		‡	0
(21) Disability Income – Group Short-Term	Earned Premium (Schedule H Part 1, Line 2 in part)		‡	0
Long-Term Care				
(22) Noncancellable Long-Term Care Premium – Rate Risk **	Earned Premium (Schedule H Part 1, Line 2 in part)		0.100	0
(23) Other Long-Term Care Premium ‡	Earned Premium (Schedule H Part 1, Line 2 in part)		0.000	0
Health Premium with Limited Underwriting Risk				
(24) ASC Business with Premium Reserve	Earned Premium (Schedule H Part 1, Line 2 in part)		0.000	0
Other Health				
(25) Other Health	Earned Premium (Schedule H Part 1, Line 2 in part)		0.120	0
(26) Total Earned Premiums C(1), L(26) should equal Schedule H Part 1 Column 1 Line 2	Sum of Lines (1) through (25)	0		0
(27) Additional Reserves for Credit Disability Plans	Company Records		\$	
(28) Additional Reserves for Credit Disability Plans, prior year	Company Records		\$	

PR018

† The premium amounts in these lines are transferred to PR019 Underwriting Risk - Premium Risk for Comprehensive Medical, Medicare Supplement and Dental & Vision Lines (1.1) and (1.2) for the calculation of risk-based capital. The premium amounts are included here to assist in the balancing of total health premium. If managed care arrangements have been entered into, the company may also complete PR020 Underwriting Risk - Managed Care Credit. In which case, the company will also need to complete PR011 Health Credit Risk in the formula.

If there are amounts in any of lines (1), (2), (3), (7), (8) or (10) on page PR018 Health Premiums, the company will also be directed to complete the Health Administrative Expense portion of PR021.

‡ The two tiered calculation is illustrated in the risk-based capital instructions for PR018 Health Premiums.

‡ The balance of the RBC requirement for Long Term Care – Morbidity Risk is calculated on Page PR022. The premium is shown to allow totals to check to Schedule H.

* If there is premium included on either or both of these lines, the RBC value in Column (2) will include 3.5 % of such premium and \$50,000 (included in the line with the larger premium).

** The factor applies to all Noncancellable premium.

§ These amounts are used to adjust the premium base for single premium credit disability plans that carry additional tabular reserves.

Atrium Insurance Corporation

UNDERWRITING RISK - PREMIUM RISK FOR COMPREHENSIVE MEDICAL, MEDICARE SUPPLEMENT AND DENTAL & VISION (PR019)

(Experience Fluctuation Risk in Life RBC formula)

LINE OF BUSINESS	(1) Comprehensive Medical	(2) Medicare Supplement	(3) Dental & Vision	(4) Medicare Part D Coverage	(5) TOTAL
(1.1) Premium - Individual.....	0	0	0	0	0
(1.2) Premium - Group.....	0	0	0	0	0
(1.3) Premium - Total = (Line (1.1) - Line (1.2)).....	0	0	0	0	0
(2) Title XVIII - Medicare†.....		XXX			0
(3) Title XIX - Medicaid†.....		XXX			0
(4) Other Health Risk Revenue†.....		XXX			0
(5) Underwriting Risk Revenue = Lines (1.3) + (2) + (3) + (4).....	0	0	0	0	0
(6) Net Incurred Claims.....					0
(7) Fee-for Service Offset†.....		XXX			0
(8) Underwriting Risk Incurred Claims = Line (6) - Line (7).....	0	0	0	0	0
(9) Underwriting Risk Claims Ratio - Line (8)/Line (5).....	0.000	0.000	0.000	0.000	XXX
(10.1) Underwriting Risk Factor for Initial Amounts of Premium‡.....	0.150	0.105	0.120	0.141	XXX
(10.2) Underwriting Risk Factor for Excess of Initial Amount‡.....	0.090	0.067	0.076	0.109	XXX
(10.3) Composite Underwriting Risk Factor.....	0.000	0.000	0.000	0.000	XXX
(11) Base Underwriting Risk RBC = Line (5) x Line (9) x Line (10.3).....	0	0	0	0	0
(12) Managed Care Discount Factor = PR020 Column (3) Line (12).....	0.000	0.000	0.000	0.000	XXX
(13) Base RBC After Managed Care Discount = Line (11) x Line (12).....	0	0	0	0	0
(14) RBC Adjustment For Individual = [(Line (1.1) x (1.2) + Line (1.2))/Line (1.3)] x Line (13)§.....	0	0	0	0	0
(15) Maximum Per-Individual Risk After Reinsurance†.....					XXX
(16) Alternate Risk Charge*.....	0	0	0	0	0
(17) Net Alternate Risk Charge£.....	0	0	0	0	0
(18) Net Underwriting Risk RBC (Maximum of Line (14) or Line (17)).....	0	0	0	0	0

PR019

† Source is company records unless already included in premiums.

‡ For Comprehensive Medical the Initial Premium Amount is \$25,000,000 or the amount in Line (1.3) if smaller. For Medicare Supplement and Dental & Vision the Initial Premium Amount is \$3,000,000 or the amount in Line (1.3) if smaller. For Medicare Part D the Initial Premium Amount is \$25,000,000 or the amount in Line (1.3) if smaller.

§ Formula applies only to Column (1), for all other columns Line (14) should equal Line (13).

* The Line (16) Alternate Risk Charge is calculated as follows:

LESSER OF:	\$1,500,000 or 2 x Maximum Individual Risk	\$50,000 or 2 x Maximum Individual Risk	\$50,000 or 2 x Maximum Individual Risk	\$150,000 or 6 x Maximum Individual Risk	Maximum of Columns (1), (2) and (3) and (4)
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£ Applicable only if Line (16) for a column equals Line (16) for Column (5), otherwise zero.

Atrium Insurance Corporation

UNDERWRITING RISK - MANAGED CARE CREDIT (PR020)

Description		Annual Statement Source	(2) Paid Claims	Factor	(3) Weighted Claims+	(4) Part D Weighted Claims++
<u>Comprehensive Medical, Medicare Supplement and Dental & Vision Claim Payments</u>						
(1)	Category 0 - Arrangements not Included in Other Categories.....	Company Records		0.000	0	
(2)	Category 1 - Payments Made According to Contractual Arrangements.....	Company Records		0.150	0	
(3)	Category 2a - Subject to Withholds or Bonuses - Otherwise Category 0 *	Company Records		*	0	
(4)	Category 2b - Subject to Withholds or Bonuses - Otherwise Category 1 **	Company Records		**	0	
(5)	Category 3a - Capitated Payments Directly to Providers.....	Company Records		0.600	0	
(6)	Category 3b - Capitated Payments to Regulated Intermediaries.....	Company Records		0.600	0	
(7)	Category 3c - Capitated Payments to Non-Regulated Intermediaries.....	Company Records		0.600	0	
(8)	Category 4 - Medical & Hospital Expense Paid as Salary to Providers.....	Company Records		0.750	0	
(9)	Sub-Total Paid Claims.....	Sum of Lines (1) through (8)	0		0	
<u>Medicare Part D Coverage Claim Payments</u>						
(10.1)	Category 0 - No Federal Reinsurance or Risk Corridor Protection.....	Company Records	XXX	XXX		XXX
(10.2)	Category 1 - Federal Reinsurance but no Risk Corridor Protection.....	Company Records	XXX	XXX		XXX
(10.3)	Category 2a - No Federal Reinsurance but Risk Corridor Protection.....	Company Records		0.500		0
(10.4)	Category 3a - Federal Reinsurance and Risk Corridor Protection apply.....	Company Records		0.650		0
(10.5)	Sub-Total Paid Claims.....	Sum of Lines (10.1) through (10.4)	0			0
(10.6)	Total Paid Claims.....	Sum of Lines (9) and (10.5)	0			0
(11)	Weighted Average Managed Care Discount.....	Col. (3) = Col (3) Line (9)/Col (2) Line (9).			0.000	0.000
(12)	Weighted Average Managed Care Risk Adjustment Factor	Col (4) = Col (4) Line (10.5)/Col (2) Line (10.5) Col (3) = 1.0 - Col (3) Line (11). Col (4) = 1.0 - Col (4) Line (11)			0.000	0.000
<u>Calculation of Category 2 Managed Care Factor</u>						
(13)	Withhold & bonus payments, prior year.....	Company Records				
(14)	Withhold & bonuses available, prior year.....	Company Records				
(15)	Managed Care Credit Multiplier - average withhold returned.....	Line (13)/Line (14)	0.000			
(16)	Withhold & bonuses available, prior year.....	Line (14)	0			
(17)	Claims payments subject to withhold, prior year.....	Company Records				
(18)	Average withhold rate, prior year.....	Line (16)/Line (17)	0.000			
(19)	Managed Care Credit Discount Factor, Category 2	Minimum of 0.25 or Line (15) x Line (18)	0.000			

* Category 2 Managed Care Factor calculated on Line (19).

** Category 2 Managed Care Factor calculated on Line (19) with a minimum factor of 15 percent.

+ This column is for a single result for the Comprehensive Medical & Hospital, Medicare Supplement and Dental managed care discount factor.

++ This column is for the Medicare Part D managed care discount factor.

PR020

Atrium Insurance Corporation

UNDERWRITING RISK - OTHER AND TOTAL NET HEALTH PREMIUM RBC (PR021)

Description	Data Source	(1) Amount	Factor	(2) RBC Requirement
Rate Guarantees & Federal Employees Health Benefits				
(1) Business with Rate Guarantees Between 15 - 36 Months	Company Records		0.024	0
(2) Business with Rate Guarantees Over 36 Months	Company Records		0.064	0
(3) Federal Employees Health Benefit Program (FEHBP) Claims Incurred	Company Records		0.020	0
(4) Total, Rate Guarantees & Federal Employees Health Benefits	L(1) + L(2) + L(3)	0		0
Administrative Expenses for Certain A&H Coverages				
(5) Total Accident and Health Premiums	PR018 Health Premiums Column (1) Line (26)	0		
(6) Accident and Health Premiums from Underwriting Risk	PR019 Underwriting Risk Column (6) Line (1.3)	0		
(7) Accident and Health Premiums Factor	Line (6)/Line (5)	0.000		
(8) Administrative Expenses for Health Insurance	Company Records			
(9) Less Administrative Expenses for Administrative Services Contracts (ASC) included in Line (8)	Company Records			
(10) Less Administrative Expenses for Administrative Services Only (ASO) Business included in Line (8)	Company Records			
(11) Less Administrative Expenses for Commissions and Premium Taxes	Company Records			
(12) Net Administrative Expenses	L(8) - L(9) - L(10) - L(11)	0		
(13) Composite Health Administrative Expense Risk Factor	(7% of Line (6) up to \$25 million + 4% of excess)/Line (6)	0.070		
(14) Administrative Expense Component for Health	Line (12) x Line (7) x Line (13)			0
Health ASO/ASC				
(15) Administrative Expenses for ASC Business	Company Records *		0.020	0
(16) Administrative Expenses for ASO Business	Company Records *		0.020	0
(17) Total Health ASO/ASC	Lines (15) + (16)	0		0
(18) Total Underwriting Risk - Other	Lines (4) + (14) + (17)			0
TOTAL NET HEALTH PREMIUM RBC:				
(19) Total Health Premium RBC	Line (18) + PR018 Column (2), Line (26) + PR019 Column (5), Line (18)			0
(20) Premium Concentration Factor from U/W Risk Worksheet	PR017 C(20) L(14)			1.000
(21) Total Net Health Premium RBC	Line (19) x Line (20)			0

* Line 15 should be greater than or equal to Line (9). Line (16) should be greater than or equal to Line (10).

PR021

Atrium Insurance Corporation

LONG-TERM CARE (PR022)

Description	Annual Statement Source	(1) Amount	Factor	(2) RBC Requirement
Long-Term Care (LTC) Insurance Premium				
(1) All LTC Premium - Morbidity Risk (to \$50 million).....	Line (4.1) Column (1) up to 50 million	0	0.100	0
(2) LTC Premium (over \$50 million) - Morbidity Risk.....	Remainder of Line (4.1) Column (1) over 50 million	0	0.030	0
(3) Premium-based RBC.....	Col (2), L(1) + L(2)			0

Description	Annual Statement Source	(1) Premiums	(2) Incurred Claims	(3) Col.(2)/(1) Loss Ratio §	(4) RBC Requirement
Historical Loss Ratio Experience					
(4.1) Current Year.....	Company Records			0.000	
(4.2) Immediate Prior Year.....	Company Records			0.000	
(4.3) Average Loss Ratio.....	If loss ratios are used, [Column (3) Line (4.1) + Line (4.2)]/2, otherwise zero			0.000	
(5) Adjusted LTC Claims for RBC.....	If Column (3) Line (4.3) <> 0, then [Column (1) Line (1) + Line (2)] X Column (3) Line (4.3), else Column (2)Line (4.1)	0			
(5.1) Claims (to \$35 million) – Morbidity Risk †.....	Lower of Column (2) Line (5) and \$35 million		0	0.370	0
(5.2) Claims (over \$35 million) – Morbidity Risk ‡.....	Excess of Column (2) Line (5) over \$35 million		0	0.120	0
(6) Claims-based RBC.....	L(5.1) + L(5.2)		0		0
(7) LTC Morbidity Risk.....	Col(2), L(3) + Col (4), L(6)				0

† If Column (1), Line (4.1) is positive, then a factor of 0.250 is used. Otherwise, a higher factor of 0.370 is used.

‡ If Column (1), Line (4.1) is positive, then a factor of 0.080 is used. Otherwise, a higher factor of 0.120 is used.

§ If Column (1), Line (4.1) or (4.2) are less than or equal to zero or if Column (2), Line (4.1) or (4.2) are less than zero, the loss ratios are not used and Column (3), Line (4.3) is set to zero.

PR022

Atrium Insurance Corporation

HEALTH CLAIM RESERVES (PR023)

Description	Annual Statement Source	(1) Statement Value	Factor	(2) RBC Requirement
(1) Individual claim reserves	Company Records		0.050	0
(2) Group & credit claim reserves.....	L(3) - L(1)	0	0.050	0
(3) Total Health Claims Reserve RBC.....	Sch H Pt 2, Sec C, Col 1, Line 1	0		0
(4) Loss Concentration Factor.....	PR016, C(20) L(14)			1.000
(5) Net Health Claims Reserves RBC	L(3) x L(4)			0

PR023

Atrium Insurance Corporation

PREMIUM STABILIZATION RESERVES (PR024)

Description	Data Source	(1) Statement Value	Factor	(2) RBC Requirement
<u>Group & Credit Health Premium Stabilization Reserves Reported</u>				
(1) Stabilization Reserves and Experience Rating Refunds.....	Company Records		0.500	0
(2) Provision for Experience Rating Refunds.....	Company Records		0.500	0
(3) Reserve for Group Rate Credits.....	Company Records		0.500	0
(4) Reserve for Credit Rate Credits.....	Company Records		0.500	0
(5) Premium Stabilization Reserves.....	Company Records		0.500	0
(6) Total of Preliminary Premium Stabilization Reserve Credit.....	Sum of Lines (1) through (5)	0		0
<u>Group & Credit Health Risk-Based Capital</u>				
(7) Maximum Risk-Based Capital.....	PR023 Health Claim Reserves Column (2) Line (2) + PR018 Health Premiums Column (2) Lines (9), (11), (12), (13), (17), (18), (19), (20) and (21) +[PR019 Underwriting Risk - Premium Risk Column (5) Line (18) - Column (4) Line (18) x Line (1.2)/Line (1.3)]	0		
(8) Final Premium Stabilization Reserve Credit.....	Column (2) Line (6), but not more than Column (1) Line (7)	0	-1.000	0

PR024

Atrium Insurance Corporation

CAPITAL NOTES BEFORE LIMITATION (PR025)

Years to Maturity at the Time of the Statement	(1) Original Principal Amount	Limitation Factor	(2) Limitation on Principal Amount	(3) Current Principal Amount	(4) Credit to Total Adjusted Capital*
<u>Capital Notes Maturing 15 Years or less from the Year of Issue</u>					
(1) Greater than 0 and less than or equal to 1.....		0.000	0		0
(2) Greater than 1 and less than or equal to 2.....		0.200	0		0
(3) Greater than 2 and less than or equal to 3.....		0.400	0		0
(4) Greater than 3 and less than or equal to 4.....		0.600	0		0
(5) Greater than 4 and less than or equal to 5.....		0.800	0		0
(6) Greater than 5.....		1.000	0		0
<u>Capital Notes Maturing more than 15 Years from the Year of Issue</u>					
(7) Greater than 0 and less than or equal to 1.....		0.000	0		0
(8) Greater than 1 and less than or equal to 2.....		0.100	0		0
(9) Greater than 2 and less than or equal to 3.....		0.200	0		0
(10) Greater than 3 and less than or equal to 4.....		0.300	0		0
(11) Greater than 4 and less than or equal to 5.....		0.400	0		0
(12) Greater than 5 and less than or equal to 6.....		0.500	0		0
(13) Greater than 6 and less than or equal to 7.....		0.600	0		0
(14) Greater than 7 and less than or equal to 8.....		0.700	0		0
(15) Greater than 8 and less than or equal to 9.....		0.800	0		0
(16) Greater than 9 and less than or equal to 10.....		0.900	0		0
(17) Greater than 10.....		1.000	0		0
(18) Credit for Capital Notes Before Limitation (sum of lines (1) through (17))	0		0	0	0

* Column (4) is calculated as the lesser of Column (2) or Column (3).

PR025

Atrium Insurance Corporation

CALCULATION OF TOTAL ADJUSTED CAPITAL (PR026)

Description	Annual Statement Source	(1) Statement Value*	Factor	(2) Adjusted Capital
(1) Capital and Surplus.....	P3 C1 L35	59,507,823	1.000	59,507,823
(2) Non-Tabular Discount - Losses.....	Sch P P1 - Sum C32 L12	0	1.000	0
(3) Non-Tabular Discount - Expense.....	Sch P P1 - Sum C33 L12	0	1.000	0
(4) Discount on Medical Loss Reserves Reported as Tabular in Schedule P.....	Company Records		1.000	0
(5) Discount on Medical Expense Reserves Reported as Tabular in Schedule P.....	Company Records		1.000	0
(6) P&C Subs Non-Tabular Discount - Losses.....	Subs' Sch P Pt1 - Sum C32 L12		1.000	0
(7) P&C Subs Non-Tabular Discount - Expense.....	Subs' Sch P Pt1 - Sum C33 L12		1.000	0
(8) P&C Subs Discount on Medical Loss Reserves Reported as Tabular in Schedule P.....	Subs' Company Records		1.000	0
(9) P&C Subs Discount on Medical Expense Reserves Reported as Tabular in Schedule P.....	Subs' Company Records		1.000	0
(10) AVR - Life Subs.....	Subs P3 C1 L24.1		1.000	0
(11) Dividend Liability - Life Subs.....	Subs P3 C1 L6.1 + L6.2		0.500	0
(12) Total Adjusted Capital Before Capital Notes L(1) - L(2) - L(3) - L(4) - L(5) - L(6) - L(7) - L(8) - L(9) + L(10) + L(11)				59,507,823
Credit for Capital Notes				
(13.1) Surplus Notes.....	Page 3 Column 1 Line 31	0		
(13.2) Limitation on Capital Notes.....	0.5 x [Line(12) - Line (13.1)] - Line 13.1, but not less than zero	29,753,912		
(13.3) Capital Notes Before Limitation.....	PR025 Column (4) Line (18)	0		
(13.4) Credit for Capital Notes.....	Lesser of Column (1) Line (13.2) of Line (13.3)			0
(14) Total Adjusted Capital (Post-Deferred Tax)	Line (12) + Line (13.4)			59,507,823
Sensitivity Test:				
(15) Deferred Tax Assets.....	Page 2, Line 16.2	40,544	1.000	40,544
(15.1) Deferred Tax Liabilities.....	Page 3, Line 7.2	0	1.000	0
(16) Deferred Tax Assets for Subsidiary.....	Company Record		1.000	0
(16.1) Deferred Tax Liabilities for Subsidiary.....	Company Record		1.000	0
(17) Total Adjusted Capital for Sensitivity Test	L(14) - L(15) + L(15.1) - L(16) + L(16.1)			59,467,279

* Report amounts in this column as whole dollars.

PR026

Atrium Insurance Corporation

CALCULATION OF TOTAL RISK-BASED CAPITAL AFTER COVARIANCE (PR027) R0-R1

Description	PRBC O&I Reference	(1) RBC Amount
<u>R0 - Asset Risk - Subsidiary Insurance Companies</u>		
(1) Affiliated US P&C Insurers - Directly Owned.....	PR003 L(1) C(5)	0
(2) Affiliated US P&C Insurers - Indirectly Owned.....	PR003 L(4) C(5)	0
(3) Affiliated US Life Insurers - Directly Owned.....	PR003 L(2) C(5)	0
(4) Affiliated US Life Insurers - Indirectly Owned.....	PR003 L(5) C(5)	0
(5) Affiliated US Health Insurer - Directly Owned.....	PR003 L(3) C(5)	0
(6) Affiliated US Health Insurer - Indirectly Owned.....	PR003 L(6) C(5)	0
(7) Affiliated US Alien Insurers - Directly Owned.....	PR003 L(8) C(5)	0
(8) Affiliated US Alien Insurers - Indirectly Owned.....	PR003 L(9) C(5)	0
(9) Misc Off-Balance Sheet - Non-controlled Assets.....	PR013 L(12) C(2)	0
(10) Misc Off-Balance Sheet - Guarantees for Affiliates.....	PR013 L(13) C(2)	0
(11) Misc Off-Balance Sheet - Contingent Liabilities.....	PR013 L(14) C(2)	0
(12) Total R0.....	L(1) + L(2) + L(3) + L(4) +L(5) + L(6) + L(7) + L(8) + L(9) + L(10) + L(11)	0
<u>R1 - Asset Risk - Fixed Income</u>		
(13) Class 01 U.S. Government Agency Bonds.....	PR005 L(2) C(2)	0
(14) Unaffiliated Bonds Subject to Size Factor.....	PR005 L(21) C(2) + PR014 L(9) C(2)	0
(15) Bond Size Factor RBC.....	PR005 L(24) C(2)	0
(16) Bonds - Affiliated Invest Sub.....	PR003 L(7) C(4)	0
(17) Bonds - Affiliated Hold. Co. in excess of Ins. Subs.....	PR003 L(10) C(4)	0
(18) Bonds - Investment in Parent.....	PR003 L(11) C(4)	0
(19) Bonds - Affiliated US P&C Not Subject to RBC.....	PR003 L(12) C(4)	0
(20) Bonds - Affiliated US Life Not Subject to RBC.....	PR003 L(13) C(4)	0
(21) Bonds - Affiliated US Health Insurer Not Subject to RBC.....	PR003 L(14) C(4)	0
(22) Bonds - Affiliated Non-insurer.....	PR003 L(15) C(4)	0
(23) Other Long-Term Assets - Mortgage Loans.....	PR007 L(10) C(2)	0
(24) Misc Assets - Collateral Loans.....	PR008 L(14) C(2)	0
(25) Misc Assets - Cash.....	PR008 L(3) C(2)	165,567
(26) Misc Assets - Cash Equivalents.....	PR008 L(6) C(2)	0
(27) Misc Assets - Other Short-Term Investments.....	PR008 L(11) C(2)	541,901
(28) Replication -Synthetic Asset: One Half.....	PR009 L(9999999)C(7)	0
(29) Asset Concentration RBC - Fixed Income.....	PR010 L(7) C(3) Grand Total Page	0
(30) Total R1.....	L(13)+L(14)+L(15)+L(16)+L(17)+L(18)+L(19)+L(20)+ L(21)+L(22)+L(23)+L(24)+L(25)+L(26)+L(27) +L(28)+L(29)	707,468

PR027

Atrium Insurance Corporation

CALCULATION OF TOTAL RISK-BASED CAPITAL AFTER COVARIANCE (PR028) R2-R3

PR028

Description	PRBC O&I Reference	(1) RBC Amount
R2 - Asset Risk - Equity		
(31) Common - Affiliated Investment Subsidiary	PR003 L(7) C(2)	0
(32) Common - Affiliated Hold. Company in excess of Ins. Subs.	PR003 L(10) C(2)	0
(33) Common - Investment in Parent	PR003 L(11) C(2)	0
(34) Common - Affiliated US P&C Not Subject to RBC	PR003 L(12) C(2)	0
(35) Common - Affiliated US Life Not Subject to RBC	PR003 L(13) C(2)	0
(36) Common - Affiliated Health Insurer Not Subject to RBC	PR003 L(14) C(2)	0
(37) Common - Affiliated Non-insurer	PR003 L(15) C(2)	0
(38) Preferred - Affiliated Invest Sub	PR003 L(7) C(3)	0
(39) Preferred - Affiliated Hold. Co. in excess of Ins. Subs.	PR003 L(10) C(3)	0
(40) Preferred - Investment in Parent	PR003 L(11) C(3)	0
(41) Preferred - Affiliated US P&C Not Subject to RBC	PR003 L(12) C(3)	0
(42) Preferred - Affiliated US Life Not Subject to RBC	PR003 L(13) C(3)	0
(43) Preferred - Affiliated US Health Insurer Not Subject to RBC	PR003 L(14) C(3)	0
(44) Preferred - Affiliated Non-insurer	PR003 L(15) C(3)	0
(45) Unaffiliated Preferred Stock, Including Hybrids	PR006 L(13) C(2) + PR014 L(16) C(2)	0
(46) Unaffiliated Common Stock	PR006 L(20) C(2) + PR014 L(17) C(2)	12,078,523
(47) Other Long-Term Assets - Real Estate	PR007 L(7) C(2)	0
(48) Other Long-Term Assets - Schedule BA Assets	PR007 L(13) C(2) + PR014 L(18) C(2) + PR014 L(19) C(2)	0
(49) Misc Assets - Receivable for Securities	PR008 L(1) C(2)	0
(50) Misc Assets - Aggregate Write-ins for Invested Assets	PR008 L(2) C(2)	0
(51) Replication -Synthetic Asset: One Half	PR009 L(9999999)(7)	0
(52) Asset Concentration RBC - Equity	PR010 L(22) C(3) Grand Total Page	12,078,523
(53) Total R2	L(31)+L(32)+L(33)+L(34)+L(35)+L(36) +L(37)+L(38)+L(39)+L(40)+L(41)+L(42)+L(43)+L(44) +L(45)+L(46)+L(47)+L(48)+L(49)+L(50) +L(51)+L(52)	24,157,046
R3 - Asset Risk - Credit		
(54) Other Credit RBC	PR011 L(16) C(4) - L(9) C(4)	346,997
(55) One Half of Rein Recoverables	0.5 x PR011 L(9) C(4)	0
(56) Other Half of Rein Recoverables	If R4 L(60)>(R3 L(54) + R3 L(55)),0,otherwise, R3 L(55)	0
(57) Health Credit Risk	PR012 L(12) C(2)	0
(58) Total R3	L(54) + L(55) + L(56) + L(57)	346,997

PRBC

Company Code 10362

Atrium Insurance Corporation

CALCULATION OF TOTAL RISK-BASED CAPITAL AFTER COVARIANCE (PR029) R4-R5

Description	PRBC O&I Reference	(1) RBC Amount
<u>R4 - Underwriting Risk - Reserves</u>		
(59) One half of Reinsurance RBC.....	If R4 L(60)>(R3 L(54) + R3 L(55)), R3 L(55), otherwise, 0	0
(60) Total Adjusted Unpaid Loss/Expense Reserve RBC.....	PR016 L(15) C(20)	10,970,000
(61) Excessive Premium Growth - Loss/Expense Reserve	PR015 L(13) C(8)	0
(62) A&H Claims Reserves Adjusted for LCF.....	PR023 L(5) C(2)	0
(63) Total R4	L(59)+L(60)+L(61)+L(62)	10,970,000
<u>R5 - Underwriting Risk - Net Written Premium</u>		
(64) Total Adjusted NWP RBC.....	PR017 L(15) C(20)	9,492,000
(65) Excessive Premium Growth - Written Premiums Charge.....	PR015 L(14) C(8)	0
(66) Total Net Health Premium RBC.....	PR021 L(21) C(2)	0
(67) Health Stabilization Reserves.....	PR024 L(8) C(2)	0
(68) Total R5.....	L(64)+L(65)+L(66)+L(67)	9,492,000
(69) Total RBC After Covariance = $R0 + \text{SQRT}(R1^2+R2^2+R3^2+R4^2+R5^2)$		28,189,054
(70) Authorized Control Level RBC = .5 x Total RBC After Covariance		14,094,527

PR029

Atrium Insurance Corporation

TREND TEST PR030

PR030

Description	Annual Statement Source	(1) Amount	(2) Result
<u>Original RBC% Before Applying Trend Test</u>			
(1) Authorized Control Level Risk-Based Capital.....	PR029, C(1) L(70)	14,094,527	
(2) Total Adjusted Capital.....	PR026, C(2) L(14)	59,507,823	
(3) RBC %.....	L(2)C(1) / L(1)C(1)	422.200	
<u>Combined Ratio Data</u>			
(4) Premiums Earned.....	Pg 4, Col 1, L 1	37,926,376	
(5) Losses Incurred.....	Pg 4, Col 1, L 2	51,044,716	
(6) Loss Expenses Incurred.....	Pg 4, Col 1, L 3	0	
(7) Other Underwriting Expenses Incurred.....	Pg 4, Col 1, L 4	4,738,444	
(8) Aggregate Write-ins for Underwriting Deductions.....	Pg 4, Col 1, L 5	0	
(9) Dividends to Policyholders.....	Pg 4, Col 1, L 17	0	
(10) Net Written Premiums.....	Pg 8, Col 6, L 35	37,918,283	
<u>Combined Ratio Calculation</u>			
(11) Loss Ratio.....	[Pg 4, Col 1, L 2 + Pg 4, Col 1, L 3] / Pg 4, Col 1, L 1	134.600	
(12) Dividend Ratio.....	Pg 4, Col 1, L 17 / Pg 4, Col 1, L 1	0.000	
(13) Expenses Ratio.....	[Pg 4, Col 1, L 4 + Pg 4, Col 1, L 5] / Pg 8, Col 6, L35	12.500	
(14) Combined Ratio.....	L(11) + L(12) + (L13)	147.100	
(15) Trend Test Result †	If L(3) Between 200% & 300% & L(14)>120%, L(15), YES, Otherwise, NO		NO

† The Trend Test applies only if L(15) = Yes.

‡ If result = YES, the company triggers regulatory attention at the Company Action Level based on the trend test.

Note: This page is for information only until the modifications made by Capital Adequacy Task Force to the Risk-Based Capital (RBC) FOR INSURERS MODEL ACT are implemented by states.

Atrium Insurance Corporation

COMPARISON OF TOTAL ADJUSTED CAPITAL TO RISK-BASED CAPITAL (PR031)

Description	Abbreviation	(1) Amount
Excluding the Trend Test:		
(1) Total Adjusted Capital (Post-Deferred Tax: PR026 Line 14).....		59,507,823
(2) Company Action Level = 200% of Authorized Control Level.....	CAL	28,189,054
(3) Regulatory Action Level = 150% of Authorized Control Level.....	RAL	21,141,791
(4) Authorized Control Level = 100% of Authorized Control Level.....	ACL	14,094,527
(5) Mandatory Control Level = 70% of Authorized Control Level.....	MCL	9,866,169
(6) Level of Action, if Any (excluding the trend test).....		NONE
Including the Trend Test:		
(7) Level of Action, if Any (including the trend test).....		NONE
THE FOLLOWING NUMBERS MUST BE REPORTED IN THE FIVE YEAR HISTORY EXHIBIT ON THE INDICATED LINE		
Total Adjusted Surplus to Policyholders.....	Five Yr Hist C1 L28	59,507,823
Authorized Control Level Risk-Based Capital.....	Five Yr Hist C1 L29	14,094,527

PR031

Atrium Insurance Corporation

UNDERWRITING AND INVESTMENT EXHIBIT - PREMIUMS WRITTEN (PR032)

- (1) Did your company write Accident and Health insurance in 2007 ? No
If answer is yes, please complete Column 2, 2007 Net Premiums Written.
- (2) Did your company write Accident and Health insurance in 2006 ? No
If answer is yes, please complete Column 3, 2006 Net Premiums Written.
- (3) Were the total net Premiums written zero in 2007 ? No
- (4) Were the total net Premiums written zero in 2006 ? No

Line of Business		(1) 2008 Net Premiums Written	(2) 2007 Net Premiums Written	(1) 2006 Net Premiums Written
1.	Fire	0	XXX	XXX
2.	Allied Lines	0	XXX	XXX
3.	Farmowners Multiple Peril	0	XXX	XXX
4.	Homeowners Multiple Peril	0	XXX	XXX
5.	Commercial Multiple Peril	0	XXX	XXX
6.	Mortgage Guaranty	0	XXX	XXX
8.	Ocean marine	0	XXX	XXX
9.	Inland marine	0	XXX	XXX
10.	Financial Guaranty	0	XXX	XXX
11.1	Medical Malpractice - Occurrence	0	XXX	XXX
11.2	Medical Malpractice - Claims-Made	0	XXX	XXX
12.	Earthquake	0	XXX	XXX
13.	Group accident and health	0	0	0
14.	Credit accident and health (group and individual)	0	0	0
15.	Other Accident And Health	0	0	0
16.	Workers' compensation	0	XXX	XXX
17.1	Other Liability - Occurrence	0	XXX	XXX
17.2	Other Liability - Claims-Made	0	XXX	XXX
18.1	Products Liability - Occurrence	0	XXX	XXX
18.2	Products Liability - Claims-Made	0	XXX	XXX
19.1,19.2	Private Passenger Auto Liability	0	XXX	XXX
19.3,19.4	Commercial Auto Liability	0	XXX	XXX
21.	Auto Physical Damage	0	XXX	XXX
22.	Aircraft (all perils)	0	XXX	XXX
23.	Fidelity	0	XXX	XXX
24.	Surety	0	XXX	XXX
26.	Burglary and theft	0	XXX	XXX
27.	Boiler and machinery	0	XXX	XXX
28.	Credit	0	XXX	XXX
29.	International	0	XXX	XXX
30.	Warranty	0	XXX	XXX
31.	Reinsurance Property	0	XXX	XXX
32.	Reinsurance Liability	0	XXX	XXX
33.	Reinsurance Financial Lines	37,918,283	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	XXX	XXX
35.	TOTALS	37,918,283	32,444,098	36,103,057

PR032

Atrium Insurance Corporation

SCH F PT 3 REINSURANCE CREDIT AND MED TABULAR RESERVE (PR035)

Credit Risk for Receivables		PR011		(1)
Annual Statement Source: Adjustment For Reinsurance Penalty For Affiliates				
Applicable to Schedule F		Line	Column	Value
(1)	Schedule F Part 3, L0199999, L0299999, L1099999 and L1199999	9	3	
(2)	Schedule F Part 3, L0799999, Amounts Attributable to Exempt Pools	9	3	
(3)	Schedule F Part 3, L1699999, Amounts Attributable to Exempt Pools	9	3	
Underwriting Risk Reserves		PR016		Value
Annual Statement Source: Medical Tabular Reserve Discount				(000 Omitted)
		Line	Column	
(4)	Homeowner/Farmowner	7	1	
(5)	Private Passenger Auto Liability	7	2	
(6)	Commercial Auto Liability	7	3	
(7)	Workers' Compensation	7	4	
(8)	Commercial Multiple Peril	7	5	
(9)	Medical Malpractice - Occurrence	7	6	
(10)	Medical Malpractice - Claims Made	7	7	
(11)	Special Liability	7	8	
(12)	Other Liability - Occurrence	7	9	
(13)	Other Liability - Claims Made	7	9	
(14)	Fidelity & Surety	7	10	
(15)	Special Property	7	11	
(16)	Auto Physical Damage	7	12	
(17)	Other (Credit, A&H)	7	13	
(18)	Financial Guaranty/Mortgage guaranty	7	14	
(19)	International	7	15	
(20)	Medical Tabular Reserve Discount - Reinsurance: Property	7	16	
(21)	Medical Tabular Reserve Discount - Reinsurance: Liability	7	17	
(22)	Medical Tabular Reserve Discount - Reinsurance: Financial Lines	7	16	
(23)	Products Liability occurrence	7	18	
(24)	Products Liability Claims Made	7	18	
(25)	Warranty	7	19	
(26)	Total	7	20	.0
Underwriting Risk - Premiums		PR016		Value
Annual Statement Source: STMTINCOME (page 4, col. 1, In 4)		Line	Column	
(27)	Other Underwriting Expenses Incurred	6	1	4,738,444

PR035

Atrium Insurance Corporation

GROSS WRITTEN PREMIUMS (PR036)

Description	Annual Statement Source	(1) Statement Value
(1) 2008 Company Gross Written Premium - Direct	Pg 8, PREMWRTN, Col 1, L35	0
(2) 2008 Company Gross Written Premium - Assumed	Pg 8, PREMWRTN, Col 3, L35	37,918,283
(3) 2007 Company Gross Written Premium - Direct	Pg 8, PREMWRTN, Col 1, L34	0
(4) 2007 Company Gross Written Premium - Assumed	Pg 8, PREMWRTN, Col 3, L34	32,444,098
(5) 2006 Company Gross Written Premium - Direct	Pg 8, PREMWRTN, Col 1, L34	0
(6) 2006 Company Gross Written Premium - Assumed	Pg 8, PREMWRTN, Col 3, L34	36,103,057
(7) 2005 Company Gross Written Premium - Direct	Pg 8, PREMWRTN, Col 1, L34	0
(8) 2005 Company Gross Written Premium - Assumed	Pg 8, PREMWRTN, Col 3, L34	41,901,990
(9) 2008 Group Gross Written Premium - Direct	Pg 8, PREMWRTN, Col 1, L35	
(10) 2008 Group Gross Written Premium - Assumed	Pg 8, PREMWRTN, Col 3, L35	
(11) 2007 Group Gross Written Premium - Direct	Pg 8, PREMWRTN, Col 1, L34	0
(12) 2007 Group Gross Written Premium - Assumed	Pg 8, PREMWRTN, Col 3, L34	0
(13) 2006 Group Gross Written Premium - Direct	Pg 8, PREMWRTN, Col 1, L34	0
(14) 2006 Group Gross Written Premium - Assumed	Pg 8, PREMWRTN, Col 3, L34	0
(15) 2005 Group Gross Written Premium - Direct	Pg 8, PREMWRTN, Col 1, L34	0
(16) 2005 Group Gross Written Premium - Assumed	Pg 8, PREMWRTN, Col 3, L34	0

PR036

Atrium Insurance Corporation

CAPITATIONS PAID DIRECTLY TO PROVIDERS

Name of Provider	1 Paid Capitations During Year	2 Letter of Credit Amount	3 Funds Withheld	4 Protection Percentage	5 Exempt Capitations
0199999 -Capitations Paid Directly to Providers	0	XXX	XXX	XXX	0

CAPITATIONS PAID TO UNREGULATED INTERMEDIARIES

Name of Provider	1 Paid Capitations During Year	2 Letter of Credit Amount	3 Funds Withheld	4 Protection Percentage	5 Exempt Capitations
0299999 -Capitations Paid to Unregulated Intermediaries	0	XXX	XXX	XXX	0

CAPITATIONS PAID TO REGULATED INTERMEDIARIES

Name of Provider	1 Paid Capitations During Year	2 State of Domicile	5 Exempt Capitations
0399999 -Capitations Paid to Regulated Intermediaries	0	XXX	0

TOTAL CAPITATIONS

Name of Provider	1 Paid Capitations During Year		5 Exempt Capitations
Total	0		0

PR038

EXHIBIT R

**UNITED STATES OF AMERICA
CONSUMER FINANCIAL PROTECTION BUREAU**

IN THE MATTER OF)
PHH CORPORATION)
_____)

Case No.: 2011-0024-02

PHH CORPORATION'S SUPPLEMENTAL NORA SUBMISSION

As a follow-up to the September 10, 2013 meeting with the CFPB and in response to the letter from Mr. Gordon dated September 12, 2013, PHH Corporation ("PHH" or the "Company"), provides this supplemental submission in further support of its previously-submitted response to the CFPB's Notice and Opportunity to Respond and Advise ("NORA") process. The purpose of this submission is to respond to the particular issues raised by the CFPB during the meeting. PHH appreciates the opportunity to provide this additional information.

As stated previously, PHH's reinsurance agreements, all of which have now been commuted, fully complied with all applicable laws and regulations, as well as all applicable accounting standards. Further, during the recent financial crisis, Atrium paid more than \$156 million in claims pursuant to its agreements with UGI and Genworth. Those funds supported those entities during a period when their financial viability was threatened. Indeed, several other pmi companies, Triad and PMI for example, ended up defaulting on their insurance obligations and are now under regulatory supervision. The fact of the matter is that PHH carefully evaluated and monitored its business partners and chose not to rely on Triad and PMI for any significant portion of its portfolio. As history now bears out, the Company's evaluations were correct.

Turning to the issues raised at the September 10 meeting, as well as the requests for additional information stated in Mr. Gordon's September 12 letter, PHH offers the following:

CONFIDENTIAL

I. RESPA

During the course of the September 10 meeting, it became apparent to PHH that the CFPB may believe that the Company's decision to limit its business to particular pmi providers constitutes a violation of RESPA. It does not.

In 1997, HUD, the agency responsible for enforcement of RESPA, issued guidance in the form of an informal letter. *See* Letter from Nicolas P. Retsinas, Assistant Secretary for Housing-Federal Housing Commissioner, to Sandor Samuels, General Counsel of Countrywide Funding Corporation (Aug. 6, 1997) ("HUD Letter"). HUD acknowledged in its guidance that a captive reinsurance arrangement will result in the lender "ha[ving] a financial interest in having the primary insurer in the captive reinsurance program selected to provide the mortgage insurance." Yet, HUD specifically allowed lenders to enter into such arrangements as long as the payments to the reinsurer "(1) are for reinsurance services 'actually furnished or for services performed' and (2) are bona fide compensation that does not exceed the value of such services." HUD Letter at 3. Simply stated, HUD recognized the potential incentive to use the primary insurer with which there was a reinsurance arrangement. Critically, HUD placed no limitation on a lender's use of the pmi provider under such circumstances. Indeed, if HUD had wanted to prohibit captive arrangements pursuant to its authority under RESPA, it had the opportunity to do so in 1997, but did not.

Further, as PHH has advised, it was always PHH's policy to provide disclosures to borrowers that there was an affiliated business arrangement between certain pmi providers and PHH's reinsurance entity, Atrium. In addition to advising consumers of the reinsurance arrangement, the disclosure also advised borrowers that they could select their own pmi provider. PHH did not "require" borrowers to use UGI or Genworth, and PHH disclosed the existence of

the affiliated relationship between those two pmi providers, Atrium, the reinsurer, and PHH the lender. If the borrower elected to allow PHH to choose the pmi provider, PHH was free to send some or all of its business to one, or more, pmi providers of its own choosing. PHH is not aware of any borrower being denied his or her choice of a particular pmi provider.

Any assertion that PHH directed borrowers to particular pmi providers solely for the purpose of maximizing the number of loans in Atrium's book of reinsurance business is false and unsupported by the factual record. First and foremost, PHH is a lender and its primary interest is, and always has been, originating high quality mortgage loans for qualified borrowers. As a result, PHH needed to ensure that there were an adequate number of pmi providers that covered the available array of loan products being offered. Thereafter, PHH's interests were in working with pmi providers who had: a history of good customer service; solid financial footing, *e.g.*, counter-party risk; and the ability to communicate electronically in terms of ordering and placing pmi insurance. *See, e.g.*, Rosenthal Tr. at 26-7 (dialer decisions based on "counter-party strength of the MI," "payment history, the default payment, do they pay the claims when we need them to pay the claims," the establishment of electronic "transmissions" capability and a "balance" of product offerings). At no time did PHH inhibit or otherwise curtail its lending practices for the purpose of "driving" borrowers to a pmi provider with a reinsurance arrangement. Rather, the facts demonstrate that PHH dealt primarily with UGI prior to 2001, but expanded to include Genworth starting in 2001, and added other providers to its dialer in 2008 (MGIC) and 2009 (Republic and Radian). The fact that PHH never had a reinsurance relationship with MGIC or Republic, and that Radian was not added to the dialer until after its reinsurance arrangement had gone into run-off, further demonstrates that the existence of a reinsurance arrangement was not a

primary consideration for PHH with respect to the selection of a pmi provider.¹ It is also worth noting that Genworth was reduced to 0.0% in the dialer for all of 2009. During that time, Atrium had a reinsurance arrangement with Genworth, yet it was not assigning any loans to Genworth through the dialer, and for the period from September 2009 to March 2010, the majority of the loans where PHH was responsible for selecting the pmi provider went to pmi companies with which Atrium did not have a reinsurance arrangement.

PHH is concerned with the CFPB's apparent position that RESPA limits a lender's decision to partner with specific pmi providers. RESPA has not, because it cannot, be interpreted to obligate a lender to conduct business with specific pmi providers. To hold otherwise would force a lender such as PHH to deal with pmi providers that provided poor customer service or that refused to properly process claims. Neither RESPA, nor any other statute, has been interpreted to require two independent businesses to enter into a business relationship under such circumstances. *See Rosenthal Tr.* at 89 ("I did not choose to do business with Triad or PMI. I did not choose to add them to the dialer and they were two companies that ended up defaulting and not paying their claims, first in this industry. So from a counter-party perspective, we did a pretty good job of evaluating which ones weren't good counter-parties.").

Finally, PHH again reiterates its position that there cannot be any alleged RESPA violation where, as here, Atrium provided services in the form of actual reinsurance payments. RESPA was enacted to prevent kickbacks and referral fees to parties "who did nothing in return for the portions they received." *Boulware v. Crossland Mortg. Corp.*, 291 F.3d 261, 268 (4th

¹ While Radian was not added to the dialer until August 2009, loans insured by Radian were included in books of loans where Atrium provided reinsurance. The loans that were placed in those books were generally either correspondent loans or loans where the pmi was lender-paid. Unlike borrower-paid pmi, where there is a monthly charge for pmi, under the lender-paid option, the borrower's monthly payment did not include a separate charge for pmi.

Cir. 2002) (citation omitted). Thus, in order to plead a RESPA claim, there must be an allegation that *no* services were provided. That allegation cannot be made here because Atrium paid more than \$156 million in claims pursuant to its reinsurance agreements with UGI and Genworth. Further, for its other two reinsurance agreements with Radian and CMG, Atrium forfeited all of its capital contributions in connection with the commutation of those agreements.

While PHH is not privy to the same information as the CFPB, from public filings made in connection with private lawsuits, the \$156 million in claims paid by Atrium stands in stark contrast to the significantly smaller claim amounts allegedly paid by other lender-affiliated reinsurers.² For example, according to the publicly-filed Complaints in the following cases, the reinsurance entity involved made the following claim payments during the years of 2004 through 2011:

Case	Alleged amount of reinsurance payments	Complaint Paragraph
<i>Cunninham v. M&T Bank</i> , No. 12-cv-1238 (M.D. Pa.)	M&T RE paid approximately \$5.2 million in claims	Complaint ¶ 12
<i>Hill v. Flagstar Bank</i> , No. 12-cv-2770 (E.D. Pa.)	Flagstar RE paid approximately \$438,000 in claims	First Amended Complaint ¶ 11
<i>Manner v. Fifth Third Bank</i> , No. 12-cv-0442 (W.D. Pa.)	Fifth Third RE paid approximately \$4.9 million in claims	Second Amended Complaint ¶ 12
<i>Orange v. Wachovia Bank, N.A.</i> , No. 12-cv-01683 (C.D. Cal.)	Wachovia RE paid approximately \$9.6 million in claims	Complaint ¶ 12
<i>Riddle v. Bank of America Corp.</i> , No. 12-1740 (E.D. Pa.)	BoA RE paid approximately \$39 million in claims	First Amended Complaint ¶ 17
<i>White v. PNC Fin. Servs. Grp., Inc.</i> , No. 11-cv-7928 (E.D. Pa.)	National City Mortgage Insurance Company, Inc. (“NCMIC”) paid approximately \$14 million	Second Amended Complaint ¶ 12
<i>Ba v. HSBC</i> , No. 13-cv-72 (E.D. Pa.)	HSBC Re paid approximately \$7.9 million in claims	Complaint ¶ 10

² In addition, as noted in its initial NORA submission, Atrium also paid Genworth \$37,149,869 and paid UGI \$48,592,201 in exchange for those entities’ agreement to assume all future risks in connection with loans for which they provided mortgage insurance.

II. Trust Funding and Claim Payments by Atrium

During the meeting and in Mr. Gordon's September 12, 2013 letter, the CFPB requested information regarding, *inter alia*, deposits into and withdrawals from the trust accounts that were established for each of the reinsurance agreements. Contrary to the statements made at the meeting, and the implication in Mr. Gordon's letter, that information has been provided in a number of places in PHH's document production. For example, the cession statements for both Genworth and UGI each have a specific table that provides detailed information on the capital contributions that were made into each of the trust accounts. Attached hereto as Exhibit H are two such excerpt examples from the cession statements that were produced on June 29, 2012, and can be found at: CONFIDENTIAL PHH-CFPB-002061 (the 3Q06 GE cession statement); CONFIDENTIAL PHH-CFPB-002085 (the December 2011 UGI cession statement).³ These charts demonstrate, among other things, the capital contributions that were made to the Atrium trust accounts for the UGI and Genworth reinsurance agreements. Other information such as dividends to Atrium, for example, can be gleaned from these charts as well as from other documents such as the Atrium minutes and accounting documents that were produced. More to the point, however, is that if the CFPB had any question regarding information relating to the trust accounts, or it was unsure where such information was located, it should have contacted us.⁴

With respect to the question in Mr. Gordon's September 12 letter regarding PHH's purported receipt of "a 5% rate of return on its invested capital," we are concerned that the CFPB

³ Further, the information regarding the trust accounts is cumulative so any of the multitude of cession statements that were produced would have contained the same information current as of the date of the particular cession statement.

⁴ *See, e.g.*, Decision and Order dated September 20, 2012, at 2, 4 (Director Cordray noting that the "enforcement team . . . wanted to work with PHH to manage any challenges associated with compliance with the CID" and that "[h]onest and forthcoming communication between the parties is essential to work though disagreements").

is misinterpreting PHH's point with respect to the 5% figure on Mr. Bogansky's chart. During the "investigative interview" of Mr. Rosenthal, Mr. Gordon asked the following question:

Did you do any analysis, asking about Genworth first, did you do any analysis of over the life of the captive from whenever it was, 2000 or so to 2012 how much capital Atrium put in and how much came out in the form of dividends or the commutation payment?

Mr. Rosenthal responded that he had not done any such analysis and speculated that perhaps Milliman or Mr. Bogansky might have done such a calculation. Rosenthal Tr. at 141. While PHH is not aware of any such calculation, given the CFPB's question, Mr. Bogansky was asked to provide as part of his declaration a breakdown of capital contributions and payments, which included dividends and payments upon commutation for each reinsurance arrangement including the dates on which those amounts were paid. That information is set forth on the chart attached to his declaration. Once he had that information, he simply used the "IRR" formula in Microsoft Excel to obtain the numbers at the bottom of each column on the left-hand chart. In essence, the internal rate of return is the interest rate received for an investment consisting of payments and income that occur at regular periods. The rate of return in Mr. Bogansky's analysis was based on quarterly periodic intervals. The rate of return considers the fact that Atrium made investments in early periods, but was not entitled to receive distributions until later periods.

The purpose of this calculation was simply to show that, while Atrium did receive payments in the form of dividends and payments upon commutation, when taken in the context of the amount of capital contributions -- in excess of \$52 million -- and the amount of time such funds were encumbered by the funding requirements for the trust accounts, the overall rate of return for the capital invested by Atrium in the UGI and Genworth trusts was on the order of

5%.⁵ In other words, had PHH invested the \$52 million in other investment vehicles or other opportunities, it would more than likely have exceeded the 5% return it ultimately received on the capital it invested in Atrium. Thus, from Atrium's perspective, and ultimately from PHH's perspective, the reinsurance arrangements were not the "lucrative money-making" arrangements as alleged by the *Munoz* plaintiffs and others.

Focusing on the 5% misses the mark. The fact of the matter is that PHH entered into the agreements with the expectation that if it could originate higher quality loans, then it could benefit financially from a lower-than-industry pmi claim rate and, thus, a correspondingly lower claim rate on its reinsurance obligations. For several years, that was the case, but for loans with UGI-provided pmi originated in 2003 and through 2009, the expectation was that losses suffered by UGI would penetrate the reinsurance layer thus requiring Atrium to pay claims.⁶ See Exhibit I, hereto (Projected Paid and Incurred Loss Emergence for UGI). Similarly, the expectation was that Atrium would pay claims on loans where Genworth provided the insurance commencing in book year 2004. See Exhibit J, hereto (Projected Ultimate Losses for Genworth). Further, as we explained during the meeting, prior to commuting the agreement with UGI, Atrium had already paid **more** in reinsurance claims than it would have ever collected in premiums for book years 2005, 2006 and 2007. See Exhibit K, hereto. For Genworth, prior to commutation, Atrium was projected to pay **more** in reinsurance claims that it would have ever collected in premiums for book years 2005 through 2008. See Exhibit L, hereto (Genworth Loss Ratios by Book Year)

⁵ By contrast, Atrium lost its entire capital investment in connection with the commutation of the Radian and CMG reinsurance arrangements.

⁶ PHH is providing herewith a supplemental production of Milliman reports which includes the last report received from Milliman dated March 31, 2013.

To reiterate the points we made during our meeting, Atrium provided catastrophic coverage in the form of reinsurance on a vulnerable layer of losses, a layer that could have been penetrated even without the meltdown of the mortgage market that occurred in 2007-2008. Further, when the meltdown occurred, Atrium stood by its agreements and fully funded its trusts and paid every claim presented. The payment of more than \$156 million in reinsurance claims unquestionably demonstrates that “services” were provided, and such services proved invaluable to the pmi providers with which Atrium dealt.

III. Alleged “Trust Caps”

During our meeting, a specific question was raised regarding § 2.02 of the Genworth agreement and whether that is a “trust cap.” It is not. First, this particular provision was never invoked by Atrium to avoid any of its reinsurance obligations, so as a matter of fact Atrium never exercised any such “cap” on its obligations. Second, as a matter of contract as well, § 2.02 does not override § 9.05, which categorically provides that “[n]otwithstanding any termination as provided for in this Agreement . . . the Reinsurer shall continue to be liable, . . . with respect to all Reinsured loans” Thus, by its plain language, the liability obligation of § 9.05 overrides any purported “cap” contained in § 2.02. Third, whether or not § 2.02 by its terms even imposes any “cap” on the obligations of Atrium requires an actuarial analysis as to each quarter to ensure that the Trust Account contains “adequate funding” with respect to Genworth’s liabilities. This is significant because it was Genworth, not Atrium, which was responsible for ensuring that the trust account was “adequately funded” and, in the event Genworth determined that the trust account “contains less than the Capital Requirement Amount,” Genworth was required to send Atrium a notice “specifying the amount of the inadequacy and the Reinsurer shall deposit such amount in the Trust Account within thirty (30) days of receipt of such notice.” Thus, it was

incumbent on Genworth to ensure that the trust account was adequately capitalized based on its outstanding liabilities and Atrium's obligations vis-à-vis those liabilities. If Genworth acted appropriately -- and Atrium/PHH has no evidence that it did not-- it would have insured that Atrium's trust account contained sufficient reserves for Atrium to meet its obligations. Given that there was no instance of Atrium ever refusing to deposit funds into the trust account when alerted to a deficiency by Genworth, and Atrium, having fully funded the trust account pursuant to § 12.06, the language of § 2.02 is not, nor was it ever, a "cap" on Atrium's ultimate exposure.

IV. The 1995 UGI Agreement

PHH was able to locate a reinsurance agreement between UGI and Atrium dated November 9, 1995. PHH is producing that agreement, along with several other documents it could locate, including a termination agreement effective January 1, 1997.

V. Dialer and "Preferred Provider"

During the meeting, the CFPB asked several questions regarding the dialer. As we explained, the dialer is the mechanism by which pmi is assigned if the borrower elects to have PHH select the pmi provider for his or her loan. Once again, it was PHH's policy to provide disclosures to borrowers advising them of the relationship between several pmi providers and Atrium, which is a subsidiary of PHH. Based on what we could ascertain, the dialer came into existence in 2001 at the point when PHH entered into a business relationship with Genworth. Prior to that time, when it was responsible for selecting a pmi provider, PHH relied upon UGI, an entity with which it had a long-standing and solid working relationship (as well as an electronic interface), to provide the pmi for the loan if UGI offered a product that suited the borrower's needs. If UGI did not have a product, PHH would always endeavor to locate a pmi provider

which did offer the product because originating the loan was always the primary consideration in selecting a pmi provider.

Attached as Exhibit M is a chart that contains the best historical information available regarding the settings on the dialer. As stated on the chart, prior to the addition of MGIC in 2008, the dialer settings fluctuated in allocating business between Genworth and UGI. Thereafter, as additional relationships were developed between PHH and other pmi providers such as Republic and Essent, the distribution of business among these various providers changed frequently. We trust that this is responsive to the CFPB's request for information regarding the dialer.⁷

In Mr. Gordon's letter, the CFPB requests information regarding the term "preferred provider." Specifically, the date the term was "first used" and the identity "of all of the MI companies that PHH has placed in this category, and during what period of time." Responding to this request will take significantly more time than allowed by the CFPB. PHH's initial investigation has revealed that the term "preferred provider" was used primarily in connection with the selection of loans originated through the correspondent loan channel; however, individuals at the Company have used the term in other contexts, to include, for example, referring to any pmi provider in the dialer. *See, e.g.,* Rosenthal Tr. at 26 ("I'm not real familiar with the term preferred provider, . . ."). In June 2009, PHH "retired" its "Preferred MI Provider Policy" and replaced it with "a simplified version to be called the 'PHH Mortgage Insurance

⁷ As explained in Section I, PHH's decisions regarding the allocation of business to particular pmi providers in those instances where the borrower chose not to exercise his or her option to select a pmi provider, are irrelevant to any RESPA analysis. To hold otherwise would be forcing PHH to conduct business with companies with which it believes the relationship would not be beneficial. In addition, as Exhibit M demonstrates, over the years PHH developed relationships with a number of pmi providers with which Atrium did not have a reinsurance arrangement, and even one entity that Atrium did have a relationship, Radian, was not added to the dialer until after the reinsurance arrangement was in run-off.

Provider Policy.’’ See Document Bates Labeled PHH-Munoz 12261. Thus, today the term “approved pmi provider” is now used to designate those pmi providers from whom a correspondent can order a pmi policy for a loan to be sold to PHH. A copy of the current Approved Mortgage Insurance Provider Policy is attached as Exhibit N.

As stated above, we believe the term “preferred provider” was used predominately to refer to the selection of a pmi provider by a correspondent lender. While it varied somewhat over time, correspondent loans typically made up less than 20% of the Company’s origination portfolio. See Rosenthal Tr. at 24 (“Typically over the whole period of time approximately 75 to 80 percent of PHH’s business is retail.”). PHH would, at various times, offer pricing incentives for correspondent lenders to use a “preferred provider,” meaning a pmi provider with which PHH had an established relationship and the provider had an electronic data interface (“EDI”) setup with PHH that allowed for the electronic ordering of pmi. A copy of a Preferred MI Provider Policy and Pricing Update is attached as Exhibit O.⁸ This particular policy included pmi providers with which Atrium did not have a captive reinsurance arrangement, *e.g.*, MGIC and Republic. At other times, however, the “preferred provider” list provided to correspondents included only pmi companies with which Atrium had a reinsurance arrangement. Accordingly, it would take a significant amount of time to “reconstruct” the historical information regarding the “preferred provider” designation.

More to the point, however, whether a particular pmi provider was designated as a “preferred provider” is not relevant to any purported RESPA claim. As explained previously, and as detailed in the current policy, Exhibit N, hereto, PHH affords correspondent lenders the choice of “allowing PHH to order the Mortgage Insurance (MI) commitment for [the

⁸ This document was produced to the CFPB at PHH Munoz 12257-59.

correspondent's] loans or [the correspondent] can order the MI commitment [itself] on loans with a borrower-paid MI option from a PHH-approved MI provider.” The correspondent lender is responsible for dealing with the borrower and the correspondent lender is under no obligation to use any particular pmi provider because it is under no obligation to sell its loans to PHH. *See* Rosenthal Tr. at 22 (for correspondent loans, PHH does not “communicate directly with the borrower, nor is PHH on any of the closing documents”); Danahy Tr. at 85-6 (correspondent lenders have the opportunity to choose a different pmi company if they want to). Further, the inclusion of various pmi providers on the list of “preferred providers” demonstrates that the driving factors were the quality of the existing relationship and ease of ordering pmi, and not the existence of a reinsurance arrangement with Atrium.

VI. Persons with Knowledge and the CFPB's Statute of Limitations

Finally, in the September 12 letter, the CFPB seeks information regarding the identity of “the person or persons at PHH . . . chiefly responsible for negotiating the original captive arrangements entered into with United Guaranty in 1995, GEMICO/Genworth in 2000, and Radian in 2004.”

As an initial matter, PHH notes again that, for the most part, these reinsurance arrangements were presented to the Company by the pmi providers. PHH believes that much of the contractual arrangement was standard in the industry with one very significant exception. As previously noted, PHH understands that the Vermont regulator required the insertion of so-called “trust caps” into the reinsurance agreements entered into by Vermont-domiciled entities. PHH has explained how it was not required to insert such language into its agreements because Atrium was domiciled in New York.

With respect to the UGI Reinsurance Agreement dated November 9, 1995, PHH has very little information regarding the identity of the persons “chiefly responsible” for the “negotiation” of that agreement. As you can see, it was executed by Messrs. Muoio and Priest, neither of whom are still employed with PHH. As for the operative UGI agreement that was entered into as of January 1, 1997, the Genworth Agreement, entered into in January 2001, and the Radian Agreement that was entered into in July 2004, the following individuals were involved in establishing those agreements: Terry Edwards, Mark Danahy, Bob Groody and Joe Suter. Once again, PHH takes issue with the implication of “negotiations” regarding these agreements and also notes that Messrs. Edwards, Danahy, Groody and Suter are no longer with the Company; accordingly, PHH cannot advise the CFPB regarding the extent of those four individuals’ involvement in the establishment of these three agreements.⁹

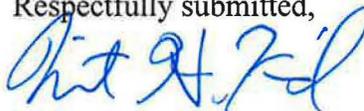
The CFPB’s question regarding the negotiation of these agreements in the 1990s and early 2000s raises an issue that was not discussed during the September 10 meeting; that is, the fact that any proposed action under RESPA involving loans closed prior to January 25, 2009, would be time-barred. Given the fact that three of the four reinsurance agreements were placed in run-off commencing in January 2009, there is only one year of the UGI reinsurance agreement that remains within the three-year statute of limitations for any potential RESPA claim. As explained in PHH’s initial submission, the Supreme Court’s decision in *Ledbetter v. Goodyear Tire & Rubber Co.*, 550 U.S. 618 (2007), eviscerates any argument that the continued pmi payments constitute a “continuing violation.” Further, every court that has considered such an

⁹ As the CFPB knows from the documents produced by Mr. Rosenthal included in PHH’s production, in 2006 PHH solicited proposals for new reinsurance arrangements. While no agreements were entered into as a result of that solicitation, what is clear from the materials provided by the pmi providers is that these arrangements were structured by the pmi providers and not PHH.

argument has rejected it, including two cases specifically in the context of pmi reinsurance claims. *See, e.g., Menichino v. Citibank, N.A.*, No. 12-0058, 2013 U.S. Dist. LEXIS 101102 (W.D. Pa. July 19, 2013); *Mullinax v. Radian Guar.*, 199 F. Supp. 2d 311 (M.D.N.C. 2002).

We trust that this submission is responsive to both the questions raised during the meeting on September 10, 2013, as well as those contained in Mr. Gordon's letter of September 12, 2013. Should additional questions arise, the Company requests the opportunity to provide additional information. PHH continues to believe that its reinsurance arrangements were fully compliant with all applicable laws and that Atrium provided real and genuine services to its counter-parties in the form of \$156 million in paid reinsurance claims in connection with the UGI and Genworth agreements. PHH also believes that there have been a number of misperceptions regarding reinsurance arrangements, many of which are based on misunderstandings, or even misreading, of relevant documents. PHH remains willing to continue to work with the CFPB to ensure that the agency gains a full and balanced understanding of these arrangements from the perspective of Atrium, which took seriously its contractual obligations, fully funded its trusts, and stood by its commitment to pay every reinsurance claim when presented for payment.

Respectfully submitted,



Mitchel H. Kider

EXHIBIT S



STATE OF NEW YORK
INSURANCE DEPARTMENT
25 BEAVER STREET
NEW YORK, NEW YORK 10004

David A. Paterson
Governor

James J. Wynn
Superintendent

January 25, 2010

Mr. Vincent L. Laurenzano
Stroock & Stroock & Lavan LLP
180 Maiden Lane
New York, NY 10038-4982

Re: Reinsurance Assumption and Novation Agreement between Atrium Insurance Corporation ("Atrium" or the "Company") and Atrium Reinsurance Corporation ("Atrium Re")

Dear Mr. Laurenzano:

This is in reference to your November 24, 2009 submissions through Ms. Carolyn Cox's e-mail of December 23, 2009.

On behalf of Atrium, you notified the Superintendent of the New York State Insurance Department (the "Department"), pursuant to Sections 1308(e) and 1505(d) of the New York Insurance Law ("NYIL"), of the intention of Atrium, a reinsurer organized under the laws of New York, to enter into:

- (i) A Reinsurance Assumption and Novation Agreement (the "**Genworth Reinsurance Assumption Agreement**") with Genworth Mortgage Insurance Corporation, a mortgage guaranty insurance company organized under the laws of the State of North Carolina ("Genworth"), and Atrium Re, a Vermont captive insurance company and affiliate of Atrium; and
- (ii) A Reinsurance Assumption and Novation Agreement (the "**United Reinsurance Assumption Agreement**" and together with the Genworth Reinsurance Assumption Agreement, the "**Reinsurance Assumption Agreements**") with United Guaranty Residential Insurance Company, a mortgage guaranty insurance company organized under the laws of the State of North Carolina ("United" and together with Genworth, the "**Original Cedents**") and Atrium Re.

You indicated that under the terms of the Reinsurance Assumption Agreements, Atrium would transfer to and Atrium Re would assume all of Atrium's liabilities and obligations under (i) that certain Reinsurance Agreement, dated as of October 9, 2000, by and between Atrium and Genworth, and subsequent amendments thereto (the "Genworth Reinsurance Agreement") and (ii) that certain Reinsurance Agreement, dated as of January 1, 1997, by and between Atrium and

United, and subsequent amendments thereto (the "United Reinsurance Agreement" and together with the Genworth Reinsurance Agreement, the "Reinsurance Agreements"), in order to effect novations of the Reinsurance Agreements, substituting Atrium Re for Atrium. Such liabilities and obligations under the Reinsurance Agreements include the assumption of obligations in connection with policies of mortgage guaranty insurance issued by the Original Cedents on loans made, purchased or serviced by PHH Mortgage Corporation ("PHH") or its affiliates. PHH is the common parent of Atrium and Atrium Re.

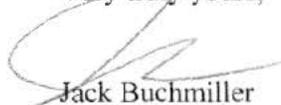
You also indicated that as part of the Reinsurance Assumption Agreements, the Original Cedents would consent to the transfer and release Atrium of all liabilities and obligations under the Reinsurance Agreements. Atrium would also transfer to Atrium Re all of its rights and obligations under (i) that certain Trust Agreement, by and among Genworth, Atrium and The Bank of New York, dated as of October 9, 2000 (the "Genworth Trust Agreement"), and (ii) that certain Trust Agreement, by and among United, Atrium and Wachovia Bank, N.A., dated as of January 15, 1998, as amended (the "United Trust Agreement" and together with the Genworth Trust Agreement, the "Trust Agreements"), which provide collateral to secure Atrium's obligations under the Reinsurance Agreements. Atrium and Atrium Re would also covenant to assign the Trust Agreements to Atrium Re under the Reinsurance Assumption Agreements.

As of September 30, 2009 Atrium's loss and loss adjustment expense reserve amounted to \$112,517,661, contingency reserves \$137,705,247, premiums receivable \$7,443,385 and balance in the trusts of \$277,538,611. In consideration of Atrium Re assuming all of Atrium's liabilities and obligations under the Reinsurance Agreements, Atrium would transfer to Atrium Re assets held in trust for the benefit of Genworth and United and premiums receivable as of the date of transfer.

Upon a review of the Genworth and United Reinsurance Assumption Agreements, the Reinsurance Agreements, the Trust Agreements, the additional submissions on January 20 and 21, 2010, your representations and in reliance on the truth of those representations, the Department hereby non-disapproves the Reinsurance Assumption Agreements pursuant to Sections 1308(e) and 1505(d) of the NYIL provided that the Original Cedents would consent to the transfer and release Atrium of all liabilities and obligations under the Reinsurance Agreements.

Implementation of the Reinsurance Assumption Agreements will be subject to review upon an examination of Atrium. Please furnish an executed copy of each of the Reinsurance Assumption Agreements for our file.

Very truly yours,



Jack Buchmiller
Supervising Risk Management Specialist
Capital Markets Bureau

cc: Kermitt Brooks
Michael Moriarty
Larry Levine
Robert Easton

<http://www.ins.state.ny.us>

EXHIBIT T

Individual Final Opinion Listing (Int #2):

<--Indicates added to listing 11-27-13

<--Indicates added to listing Dec 2013

Client Code	Client Name	Date	Name #1	Name #2	Name #3	Subject Matter Book Year / Description	Net Premium	Lever %	First Loss %	Negative Opinion?	Attorney-Client Privileged?
106-BAN	Chase Insurance Agency- CCIC	12/11/2006	JP Morgan Chase & Co. (Chase)	Cross Country Insurance Company (Cross Country)	Genworth Mortgage Insurance Corporation (Genworth)	2005	35.00%	6.00%	3.00%	No	No
106-BAN	Chase Insurance Agency- CCIC	12/11/2006	JP Morgan Chase & Co. (Chase)	Cross Country Insurance Company (Cross Country)	Mortgage Guaranty Insurance Corporation (MGIC)	2005	42.50%	50.00%	0.00%	No	No
106-BAN	Chase Insurance Agency- CCIC	12/11/2006	JP Morgan Chase & Co. (Chase)	Cross Country Insurance Company (Cross Country)	PMI Mortgage Insurance Co. (PMI)	2005	35.00%	6.00%	3.00%	No	No
106-BAN	Chase Insurance Agency- CCIC	12/11/2006	JP Morgan Chase & Co. (Chase)	Cross Country Insurance Company (Cross Country)	Radian Guaranty Inc. (Radian)	2005	35.00%	6.00%	3.00%	No	No
106-BAN	Chase Insurance Agency- CCIC	12/11/2006	JP Morgan Chase & Co. (Chase)	Cross Country Insurance Company (Cross Country)	Republic Mortgage Insurance Company (RMIC)	2005	35.00%	6.00%	3.00%	No	No
106-BAN	Chase Insurance Agency- CCIC	12/11/2006	JP Morgan Chase & Co. (Chase)	Cross Country Insurance Company (Cross Country)	Triad Guaranty Insurance Corporation (Triad)	2005	35.00%	6.00%	3.00%	No	No
106-BAN	Chase Insurance Agency- CCIC	12/11/2006	JP Morgan Chase & Co. (Chase)	Cross Country Insurance Company (Cross Country)	United Guaranty Residential Insurance Company (UGRIC)	2005	35.00%	6.00%	3.00%	No	No
106-CEN	PHH Mortgage Corp	4/24/2009	PPH Mortgage Corporation (PPH)	Atrium Insurance Corporation (Atrium)	Genworth Mortgage Insurance Corporation (Genworth)	2008A	40.00%	10.00%	4.00%	No	No
106-CEN	PHH Mortgage Corp	4/24/2009	PPH Mortgage Corporation (PPH)	Atrium Insurance Corporation (Atrium)	Genworth Mortgage Insurance Corporation (Genworth)	2008B	25.00%	5.00%	4.50%	No	No
106-CEN	PHH Mortgage Corp	4/24/2009	PPH Mortgage Corporation (PPH)	Atrium Insurance Corporation (Atrium)	United Guaranty Residential Insurance Company (UGRIC)	2008	40.00%	10.00%	4.00%	No	No
106-CEN	PHH Mortgage Corp	2/10/2009	PPH Mortgage Corporation (PPH)	Atrium Insurance Corporation (Atrium)	Genworth Mortgage Insurance Corporation (Genworth)	2006	40.00%	10.00%	4.00%	No	No
106-CEN	PHH Mortgage Corp	2/10/2009	PPH Mortgage Corporation (PPH)	Atrium Insurance Corporation (Atrium)	United Guaranty Residential Insurance Company (UGRIC)	2006	40.00%	10.00%	4.00%	No	No
106-CEN	PHH Mortgage Corp	2/10/2009	PPH Mortgage Corporation (PPH)	Atrium Insurance Corporation (Atrium)	Genworth Mortgage Insurance Corporation (Genworth)	2007	40.00%	10.00%	4.00%	No	No
106-CEN	PHH Mortgage Corp	2/10/2009	PPH Mortgage Corporation (PPH)	Atrium Insurance Corporation (Atrium)	United Guaranty Residential Insurance Company (UGRIC)	2007	40.00%	10.00%	4.00%	No	No
106-CEN	PHH Mortgage Corp	3/23/2007	PHH Mortgage Corporation (PHH)	Atrium Insurance Corporation (Atrium)	Genworth Mortgage Insurance Corporation (Genworth)	2005	40.00%	10.00%	4.00%	No	No
106-CEN	PHH Mortgage Corp	3/23/2007	PHH Mortgage Corporation (PHH)	Atrium Insurance Corporation (Atrium)	United Guaranty Residential Insurance Company (UGRIC)	2005	40.00%	10.00%	4.00%	No	No
106-CEN	PHH Mortgage Corp	3/23/2007	PHH Mortgage Corporation (PHH)	Atrium Insurance Corporation (Atrium)	Radian Guaranty Inc (Radian)	2005	40.00%	10.00%	4.00%	No	No
106-CEN	PHH Mortgage Corp	9/21/2005	PHH Mortgage Corporation (PHH)	Atrium Insurance Corporation (Atrium)	Genworth Mortgage Insurance Corporation (Genworth)	2004	40.00%	10.00%	4.00%	No	No
106-CEN	PHH Mortgage Corp	9/21/2005	PHH Mortgage Corporation (PHH)	Atrium Insurance Corporation (Atrium)	United Guaranty Residential Insurance Company (UGRIC)	2004	40.00%	10.00%	4.00%	No	No
106-CEN	PHH Mortgage Corp	9/21/2005	PHH Mortgage Corporation (PHH)	Atrium Insurance Corporation (Atrium)	Radian Guaranty Inc (Radian)	2004	40.00%	10.00%	4.00%	No	No
106-CTI	Citibank, N.A.	9/30/2009	CitiMortgage, Inc. (C I)	AAMBG Reinsurance, Inc. (AAMBG)	Genworth Mortgage Insurance Corporation (Genworth)	2008	40.00%	10.00%	4.00%	No	No
106-CTI	Citibank, N.A.	9/30/2009	CitiMortgage, Inc. (C I)	AAMBG Reinsurance, Inc. (AAMBG)	Mortgage Guaranty Insurance Corporation (MGIC)	2008	25.00%	5.00%	5.00%	No	No
106-CTI	Citibank, N.A.	9/30/2009	CitiMortgage, Inc. (C I)	AAMBG Reinsurance, Inc. (AAMBG)	PMI Mortgage Insurance Co. (PMI)	2008	35.00%	7.00%	3.00%	No	No
106-CTI	Citibank, N.A.	9/30/2009	CitiMortgage, Inc. (C I)	AAMBG Reinsurance, Inc. (AAMBG)	Radian Guaranty Inc. (Radian)	2008	40.00%	10.00%	4.00%	No	No
106-CTI	Citibank, N.A.	9/30/2009	CitiMortgage, Inc. (C I)	AAMBG Reinsurance, Inc. (AAMBG)	Republic Mortgage Insurance Company (RMIC)	2008	40.00%	10.00%	4.00%	No	No
106-CTI	Citibank, N.A.	9/30/2009	CitiMortgage, Inc. (C I)	AAMBG Reinsurance, Inc. (AAMBG)	Triad Guaranty Insurance Corporation (Triad)	2008	40.00%	10.00%	4.00%	No	No
106-CTI	Citibank, N.A.	9/30/2009	CitiMortgage, Inc. (C I)	AAMBG Reinsurance, Inc. (AAMBG)	United Guaranty Residential Insurance Company (UGRIC)	2008	40.00%	10.00%	4.00%	No	No
106-CTI	Citibank, N.A.	9/30/2009	CitiMortgage, Inc. (C I)	Citibank Mortgage Reinsurance, Inc. (Citi Re)	Genworth Mortgage Insurance Corporation (Genworth)	2008	25.00%	5.00%	5.00%	No	No
106-CTI	Citibank, N.A.	9/30/2009	CitiMortgage, Inc. (C I)	Citibank Mortgage Reinsurance, Inc. (Citi Re)	PMI Mortgage Insurance Co. (PMI)	2008	25.00%	5.00%	5.00%	No	No
106-CTI	Citibank, N.A.	9/30/2009	CitiMortgage, Inc. (C I)	Citibank Mortgage Reinsurance, Inc. (Citi Re)	Republic Mortgage Insurance Company (RMIC)	2008	25.00%	5.00%	5.00%	No	No
106-CTI	Citibank, N.A.	9/30/2009	CitiMortgage, Inc. (C I)	Citibank Mortgage Reinsurance, Inc. (Citi Re)	United Guaranty Residential Insurance Company (UGRIC)	2008	25.00%	5.00%	5.00%	No	No
106-CTI	Citibank, N.A.	9/5/2006	CitiMortgage, Inc. (C I)	Citibank Mortgage Reinsurance, Inc. (Citi Re)	Genworth Mortgage Insurance Corporation (Genworth)	2004	25.00%	5.00%	5.00%	No	Yes
106-CTI	Citibank, N.A.	9/5/2006	CitiMortgage, Inc. (C I)	Citibank Mortgage Reinsurance, Inc. (Citi Re)	PMI Mortgage Insurance Co. (PMI)	2004	25.00%	5.00%	5.00%	No	Yes
106-CTI	Citibank, N.A.	9/5/2006	CitiMortgage, Inc. (C I)	Citibank Mortgage Reinsurance, Inc. (Citi Re)	Republic Mortgage Insurance Company (RMIC)	2004	25.00%	5.00%	5.00%	No	Yes
106-CTI	Citibank, N.A.	9/5/2006	CitiMortgage, Inc. (C I)	Citibank Mortgage Reinsurance, Inc. (Citi Re)	United Guaranty Residential Insurance Company (UGRIC)	2004	25.00%	5.00%	5.00%	No	Yes

Individual Final Opinion Listing (Int #2):

<--Indicates added to listing 11-27-13

<--Indicates added to listing Dec 2013

Client Code	Client Name	Date	Name #1	Name #2	Name #3	Subject Matter Book Year / Description	Net Premium	Layer %	First Loss %	Negative Opinion?	Attorney-Client Privileged?
106-CWM	Countrywide Home Loans	12/17/2008	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Repub ic Mortgage Insurance Company (RMIC)	2007	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	11/6/2008	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Genworth Mortgage Insurance Corporation (Genworth)	2007	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	11/6/2008	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Mortgage Guaranty Insurance Corporation (MGIC)	2007	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	11/6/2008	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Radian Guaranty Inc. (Radian)	2007	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	11/6/2008	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Triad Guaranty Insurance Corporation (Triad)	2007	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	11/6/2008	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	United Guaranty Residential Insurance Company (UGRIC)	2007	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	9/23/2008	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	PMI Mortgage Insurance Co. (PMI)	2007	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	9/11/2007	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Genworth Mortgage Insurance Corporation (Genworth)	2006	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	9/11/2007	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Mortgage Guaranty Insurance Corporation (MGIC)	2006	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	9/11/2007	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	PMI Mortgage Insurance Co. (PMI)	2006	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	9/11/2007	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Radian Guaranty Inc. (Radian)	2006	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	9/11/2007	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Repub ic Mortgage Insurance Company (RMIC)	2006	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	9/11/2007	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Triad Guaranty Insurance Corporation (Triad)	2006	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	9/11/2007	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	United Guaranty Residential Insurance Company (UGRIC)	2006	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	1/12/2007	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	PMI Mortgage Insurance Co. (PMI)	2005	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	1/12/2007	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Radian Guaranty Inc. (Radian)	2005	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	1/12/2007	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Repub ic Mortgage Insurance Company (RMIC)	2005	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	1/12/2007	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Triad Guaranty Insurance Corporation (Triad)	2005	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	1/12/2007	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	United Guaranty Residential Insurance Company (UGRIC)	2005	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	4/14/2005	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Repub ic Mortgage Insurance Company (RMIC)	2003	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	4/14/2005	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Genworth Mortgage Insurance Corporation (Genworth)	2003	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	4/14/2005	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Mortgage Guaranty Insurance Corporation (MGIC)	2003	25.00%	5.00%	5.00%	No	No
106-CWM	Countrywide Home Loans	4/14/2005	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Radian Guaranty Inc. (Radian)	2003	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	4/14/2005	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Triad Guaranty Insurance Corporation (Triad)	2003	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	4/14/2005	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	United Guaranty Residential Insurance Company (UGRIC)	2003	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	4/14/2005	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	PMI Mortgage Insurance Co. (PMI)	2003	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	4/3/2006	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Repub ic Mortgage Insurance Company (RMIC)	2004	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	4/3/2006	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Genworth Mortgage Insurance Corporation (Genworth)	2004	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	4/3/2006	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Mortgage Guaranty Insurance Corporation (MGIC)	2004	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	4/3/2006	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Radian Guaranty Inc. (Radian)	2004	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	4/3/2006	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	Triad Guaranty Insurance Corporation (Triad)	2004	40.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	2/2/2006	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	United Guaranty Residential Insurance Company (UGRIC)	2004	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	4/3/2006	Countrywide Financial Copr. (Countrywide)	Balboa Reinsurance Company (Balboa)	PMI Mortgage Insurance Co. (PMI)	2004	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	4/19/2002	Second Charter Reinsurance Company (Second Charter)	United Guaranty Residential Insurance Company (UGC)	Countrywide Credit Industries, Inc. (Countrywide)	2001	37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	7/30/2001	Second Charter Reinsurance Company (Second Charter)	Triad Guaranty Insurance Corporation (Triad)	Countrywide Credit Industries, Inc. (Countrywide)		37.00%	10.00%	4.00%	No	No
106-CWM	Countrywide Home Loans	7/18/2001	Second Charter Reinsurance Corporation (Second Charter)	Triad Guaranty Insurance Corporation (Triad)	Countrywide Mortgage Corporation (Countrywide)		37.00%	10.00%	4.00%	No	No

Individual Final Opinion Listing (Int #2):

<--Indicates added to listing 11-27-13

<--Indicates added to listing Dec 2013

Client Code	Client Name	Date	Name #1	Name #2	Name #3	Subject Matter Book Year / Description	Net Premium	Layer %	First Loss %	Negative Opinion?	Attorney-Client Privileged?
106-FFS	Associated Financial Group	9/12/2000	FF Mortgage Reinsurance, Inc. (FF Mortgage)	General Electric Mortgage Insurance Corporation (GEMICO)	First Federal Savings Bank (FFSB)		25.00%	5.00%	5.00%	No	No
106-FFS	Associated Financial Group	9/12/2000	FF Mortgage Reinsurance, Inc. (FF Mortgage)	Mortgage Guaranty Insurance Corporation (MGIC)	First Federal Savings Bank (FFSB)		25.00%	5.00%	5.00%	No	No
106-FHM	First Horizon	11/14/2006	FT Reinsurance Company	Genworth Mortgage Insurance Corporation (Genworth)		2006	35.00%	8.00%	4.00%	No	No
106-FHM	First Horizon	4/26/2005	FT Reinsurance Company	United Guaranty Residential Insurance Company (UGC)		2004	35.00%	8.00%	4.00%	No	No
106-FHM	First Horizon	4/26/2005	FT Reinsurance Company	Radian Guaranty Inc. (Radian)		2004	35.00%	8.00%	4.00%	No	No
106-FHM	First Horizon	2/14/2005	FT Reinsurance Company	Repub ic Mortgage Insurance Company (RMIC)		2004	35.00%	8.00%	4.00%	No	No
106-GEM	Genworth Financial	7/31/2007	Genworth Mortgage Insurance Corporation	NA	NA	Ceding Commission for Captives	NA	NA	NA	NA	No
106-GEM	Genworth Financial	7/6/2004	Genworth Financial, Inc. (Genworth)	CAP RE of Vermont, Inc.		2004	35.70%	10.00%	4.20%	No	No
106-GEM	Genworth Financial	11/20/2003	General Electric Mortgage Insurance Corporation (GEMICO)			2003	30.00%	45.00%	25.00%	No	No
106-GEM	Genworth Financial	8/26/2002	General Electric Mortgage Insurance Corporation (GEMICO)	Second Charter Reinsurance Company		2003	37.00%	10.00%	4.00%	No	No
106-GEM	Genworth Financial	7/30/2002	General Electric Mortgage Insurance Corporation (GEMICO)	M&T Mortgage Reinsurance Company, Inc.		2002	25.00%	5.00%	5.00%	No	No
106-GEM	Genworth Financial	5/7/2002	General Electric Mortgage Insurance Corporation (GEMICO)	Commercial Federal Bank		2002	25.00%	5.00%	5.00%	No	No
106-GEM	Genworth Financial	2/21/2002	General Electric Mortgage Insurance Corporation (GEMICO)	FT Reinsurance Company		2002	25.00%	4.00%	4.00%	No	No
106-GEM	Genworth Financial	2/21/2002	General Electric Mortgage Insurance Corporation (GEMICO)	Second Charter Reinsurance Company		2002	25.04%	6.20%	5.80%	No	No
106-GEM	Genworth Financial	11/7/2001	General Electric Mortgage Insurance Corporation (GEMICO)	Citibank Mortgage Reinsurance, Inc.		2001	25.00%	5.00%	5.00%	No	No
106-GEM	Genworth Financial	9/28/2001	General Electric Mortgage Insurance Corporation (GEMICO)	Second Charter Reinsurance Company		2001	37.00%	10.00%	4.00%	No	No
106-GEM	Genworth Financial	9/24/2001	General Electric Mortgage Insurance Corporation (GEMICO)	North Star Mortgage Guaranty Reinsurance Company		2001	40.00%	10.00%	3.70%	No	No
106-GEM	Genworth Financial	9/24/2001	General Electric Mortgage Insurance Corporation (GEMICO)	TFC Mortgage Corporation		2001	25.00%	5.00%	5.00%	No	No
106-GEM	Genworth Financial	9/24/2001	General Electric Mortgage Insurance Corporation (GEMICO)	AAMBG Reinsurance, Inc.		2001	40.00%	10.00%	4.00%	No	No
106-GEM	Genworth Financial	9/24/2001	General Electric Mortgage Insurance Corporation (GEMICO)	OS Reinsurance Company		2001	35.00%	7.00%	3.00%	No	No
106-GEM	Genworth Financial	9/24/2001	General Electric Mortgage Insurance Corporation (GEMICO)	Castle Mortgage Corporation		2001	25.00%	5.00%	5.00%	No	No
106-GEM	Genworth Financial	9/24/2001	General Electric Mortgage Insurance Corporation (GEMICO)	North Star Mortgage Guaranty Reinsurance Company		2001	40.00%	10.00%	3.70%	No	No
106-GEM	Genworth Financial	9/24/2001	General Electric Mortgage Insurance Corporation (GEMICO)	Cherokee Insurance Company		2001	35.00%	8.00%	4.00%	No	No
106-GEM	Genworth Financial	9/20/2001	General Electric Mortgage Insurance Corporation (GEMICO)	Atrium insurance Corporation		2001	40.00%	10.00%	4.00%	No	No
106-GEM	Genworth Financial	9/20/2001	General Electric Mortgage Insurance Corporation (GEMICO)	Principal Mortgage Reinsurance Company		2001	25.00%	5.00%	5.00%	No	No
106-GEM	Genworth Financial	9/20/2001	General Electric Mortgage Insurance Corporation (GEMICO)	Cross Country Insurance Company		2001	35.00%	6.00%	3.00%	No	No
106-GEM	Genworth Financial	9/20/2001	General Electric Mortgage Insurance Corporation (GEMICO)			2001	40.00%	10.00%	4.00%	No	No
106-GEM	Genworth Financial	9/20/2001	General Electric Mortgage Insurance Corporation (GEMICO)			2001	25.00%	5.00%	5.00%	No	No
106-GMC	GMAC Mortgage Corporation	5/18/2009	GMAC Mortgage, LLC (GMAC)	CAP RE of Vermont, LLC (CAP RE)	Genworth Mortgage Insurance Corporation (Genworth)	2007	37.50%	10.00%	4.20%	No	No
106-GMC	GMAC Mortgage Corporation	5/18/2009	GMAC Mortgage, LLC (GMAC)	CAP RE of Vermont, LLC (CAP RE)	Mortgage Guaranty Insurance Corporation (MGIC)	2007	37.50%	10.00%	4.30%	No	No
106-GMC	GMAC Mortgage Corporation	5/18/2009	GMAC Mortgage, LLC (GMAC)	CAP RE of Vermont, LLC (CAP RE)	PMI Mortgage Insurance Co. (PMI)	2007	40.00%	10.00%	4.00%	No	No
106-GMC	GMAC Mortgage Corporation	5/18/2009	GMAC Mortgage, LLC (GMAC)	CAP RE of Vermont, LLC (CAP RE)	Radian Guaranty Inc. (Radian)	2007	40.00%	10.00%	4.00%	No	No
106-GMC	GMAC Mortgage Corporation	5/18/2009	GMAC Mortgage, LLC (GMAC)	CAP RE of Vermont, LLC (CAP RE)	Repub ic Mortgage Insurance Company (RMIC)	2007	37.50%	10.00%	4.30%	No	No
106-GMC	GMAC Mortgage Corporation	5/18/2009	GMAC Mortgage, LLC (GMAC)	CAP RE of Vermont, LLC (CAP RE)	Triad Guaranty Insurance Corporation (Triad)	2007	40.00%	10.00%	4.00%	No	No
106-GMC	GMAC Mortgage Corporation	5/18/2009	GMAC Mortgage, LLC (GMAC)	CAP RE of Vermont, LLC (CAP RE)	United Guaranty Residential Insurance Company (UGRIC)	2007	37.50%	10.00%	4.20%	No	No
106-GMC	GMAC Mortgage Corporation	7/7/2008	GMAC Mortgage, LLC (GMAC)	CAP RE of Vermont, LLC (CAP RE)		2008	25.00%	5.00%	4.50%	No	No
106-GMC	GMAC Mortgage Corporation	2/5/2003	Cap Re of Vermont, Inc. (Cap Re)	Mortgage Guaranty Insurance Corporation (MGIC)	Peter Hender, Associate Counsel - GMAC Mortgage Legal Department for Cap 12002	2003	37.50%	10.00%	4.30%	No	Yes
106-GMC	GMAC Mortgage Corporation	2/5/2003	Cap Re of Vermont, Inc. (Cap Re)	Mortgage Guaranty Insurance Corporation (MGIC)	Peter Hender, Associate Counsel - GMAC Mortgage Legal Department for Cap 12002	2003	25.00%	5.00%	5.00%	No	Yes
106-GMC	GMAC Mortgage Corporation	12/26/2002	Cap Re of Vermont, Inc. (Cap Re)	Triad Guaranty Insurance Corporation (Triad)	Peter Hender, Associate Counsel - GMAC Mortgage Legal Department for Cap 12002	2002	40.00%	10.00%	4.00%	No	Yes
106-GMC	GMAC Mortgage Corporation	12/26/2002	Cap Re of Vermont, Inc. (Cap Re)	Repub ic Mortgage Insurance Company (RMIC)	Peter Hender, Associate Counsel - GMAC Mortgage Legal Department for Cap 12002	2002	40.00%	10.00%	4.00%	No	Yes
106-GMC	GMAC Mortgage Corporation	12/23/2002	Cap Re of Vermont, Inc. (Cap Re)	Radian Guaranty Inc. (Radian)	Peter Hender, Associate Counsel - GMAC Mortgage Legal Department for Cap 12002	2002	40.00%	10.00%	4.00%	No	Yes
106-GMC	GMAC Mortgage Corporation	12/23/2002	Cap Re of Vermont, Inc. (Cap Re)	United Guaranty Residential Insurance Company (UGC)	Peter Hender, Associate Counsel - GMAC Mortgage Legal Department for Cap 12002	2002	37.50%	10.00%	4.20%	No	Yes
106-GMC	GMAC Mortgage Corporation	12/13/2002	Cap Re of Vermont, Inc. (Cap Re)	General Electric Mortgage Insurance Corporation (GEMICO)	Peter Hender, Associate Counsel - GMAC Mortgage Legal Department for Cap 12002	2002	30.00%	7.75%	5.25%	No	Yes
106-GMC	GMAC Mortgage Corporation	12/13/2002	Cap Re of Vermont, Inc. (Cap Re)	PMI Mortgage Insurance Company (PMI)	Peter Hender, Associate Counsel - GMAC Mortgage Legal Department for Cap 12002	2002	40.00%	10.00%	4.00%	No	Yes
106-GMC	GMAC Mortgage Corporation	11/1/2002	Cap Re of Vermont, Inc. (Cap Re)	Radian Guaranty Inc. (Radian)	Peter Hender, Associate Counsel - GMAC Mortgage Legal Department for Cap 12002	2002	40.00%	10.00%	4.00%	No	Yes
106-GMC	GMAC Mortgage Corporation	11/1/2002	Cap Re of Vermont, Inc. (Cap Re)	Radian Guaranty Inc. (Radian)	Peter Hender, Associate Counsel - GMAC Mortgage Legal Department for Cap 12002	2002	40.00%	10.00%	4.00%	No	Yes
106-GMS	GE Mortgage Services, Inc.	8/15/2000	Mortgage Services Captive Re, Inc.	Radian Guaranty Inc. (Radian)		2000	25.00%	5.00%	5.00%	No	No
106-GMS	GE Mortgage Services, Inc.	8/11/2000	Mortgage Services Captive Re, Inc.	PMI Mortgage Insurance Company (PMI)		2000	25.00%	5.00%	5.00%	No	No
106-GMS	GE Mortgage Services, Inc.	8/11/2000	Mortgage Services Captive Re, Inc.	Mortgage Guaranty Insurance Corporation (MGIC)		2000	25.00%	5.00%	5.00%	No	No
106-GMS	GE Mortgage Services, Inc.	3/17/2000	Mortgage Services Captive Re, Inc.	Repub ic Mortgage Insurance Company (RMIC)		2000	25.00%	5.00%	5.00%	No	No
106-HSB	HSBC Bank USA	9/26/2006	HSBC Reinsurance (USA) Inc.	Repub ic Mortgage Insurance Company (RMIC)		2006	37.50%	7.00%	3.00%	No	No
106-HSB	HSBC Bank USA	9/26/2006	HSBC Reinsurance (USA) Inc.	Mortgage Guaranty Insurance Corporation (MGIC)		2006	37.50%	7.00%	3.00%	No	No
106-HSB	HSBC Bank USA	9/26/2006	HSBC Reinsurance (USA) Inc.	United Guaranty Residential Insurance Company (UGC)		2006	39.00%	9.00%	3.50%	No	No
106-HSB	HSBC Bank USA	9/14/2006	HSBC Reinsurance (USA) Inc.	Genworth Mortgage Insurance Corporation (Genworth)		2006	39.00%	9.00%	3.50%	No	No

Individual Final Opinion Listing (Int #2):

<--Indicates added to listing 11-27-13

<--Indicates added to listing Dec 2013

Client Code	Client Name	Date	Name #1	Name #2	Name #3	Subject Matter Book Year / Description	Net Premium	Layer %	First Loss %	Negative Opinion?	Attorney-Client Privileged?
106-HOM	HomeStreet Mortgage, Inc.	5/15/2001	HomeStreet Reinsurance, Ltd.	PMI Mortgage Insurance Company (PMI)		25.00%	5.00%	5.00%	No	No	
106-HOM	HomeStreet Mortgage, Inc.	5/15/2001	HomeStreet Reinsurance, Ltd.	United Guaranty Residential Insurance Corporation (UGRIC)		25.00%	5.00%	5.00%	No	No	
106-HOM	HomeStreet Mortgage, Inc.	5/15/2001	HomeStreet Reinsurance, Ltd.	Mortgage Guaranty Insurance Corporation (MGIC)		25.00%	5.00%	5.00%	No	No	
106-MGI	Mortgage Guaranty Insurance	2/20/2009	Mortgage Guaranty Insurance Corporation (MGIC)			2008	15.00%	3.00%	3.25%	No	No
106-MGI	Mortgage Guaranty Insurance	2/20/2009	Mortgage Guaranty Insurance Corporation (MGIC)			2008	22.50%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	2/20/2009	Mortgage Guaranty Insurance Corporation (MGIC)			2008	25.00%	5.00%	4.75%	No	No
106-MGI	Mortgage Guaranty Insurance	6/24/2008	Mortgage Guaranty Insurance Corporation (MGIC)			2008	25.00%	5.00%	4.50%	No	No
106-MGI	Mortgage Guaranty Insurance	2/12/2008	Mortgage Guaranty Insurance Corporation (MGIC)			2007	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	2/12/2008	Mortgage Guaranty Insurance Corporation (MGIC)			2007	15.00%	3.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	2/12/2008	Mortgage Guaranty Insurance Corporation (MGIC)			2007	18.00%	3.50%	5.50%	No	No
106-MGI	Mortgage Guaranty Insurance	2/12/2008	Mortgage Guaranty Insurance Corporation (MGIC)			2007	25.00%	4.50%	4.50%	No	No
106-MGI	Mortgage Guaranty Insurance	2/12/2008	Mortgage Guaranty Insurance Corporation (MGIC)			2007	35.00%	8.50%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	2/12/2008	Mortgage Guaranty Insurance Corporation (MGIC)			2007	37.50%	10.00%	4.30%	No	No
106-MGI	Mortgage Guaranty Insurance	2/12/2008	Mortgage Guaranty Insurance Corporation (MGIC)			2007	39.00%	9.00%	3.50%	No	No
106-MGI	Mortgage Guaranty Insurance	2/12/2008	Mortgage Guaranty Insurance Corporation (MGIC)			2007	40.00%	10.00%	3.25%	No	No
106-MGI	Mortgage Guaranty Insurance	2/12/2008	Mortgage Guaranty Insurance Corporation (MGIC)			2007	40.00%	10.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	1/3/2007	Mortgage Guaranty Insurance Corporation (MGIC)	New England Mortgage Insurance Exchange		2006	15.00%	3.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/22/2006	Mortgage Guaranty Insurance Corporation (MGIC)			2006	18.00%	3.50%	5.50%	No	No
106-MGI	Mortgage Guaranty Insurance	12/22/2006	Mortgage Guaranty Insurance Corporation (MGIC)			2006	35.00%	6.00%	3.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/22/2006	Mortgage Guaranty Insurance Corporation (MGIC)			2006	35.00%	10.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/22/2006	Mortgage Guaranty Insurance Corporation (MGIC)			2006	37.50%	7.00%	3.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/22/2006	Mortgage Guaranty Insurance Corporation (MGIC)			2006	37.50%	10.00%	3.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/22/2006	Mortgage Guaranty Insurance Corporation (MGIC)			2006	37.50%	10.00%	4.30%	No	No
106-MGI	Mortgage Guaranty Insurance	12/22/2006	Mortgage Guaranty Insurance Corporation (MGIC)			2006	39.00%	9.00%	3.50%	No	No
106-MGI	Mortgage Guaranty Insurance	12/22/2006	Mortgage Guaranty Insurance Corporation (MGIC)			2006	40.00%	10.00%	3.25%	No	No
106-MGI	Mortgage Guaranty Insurance	12/22/2006	Mortgage Guaranty Insurance Corporation (MGIC)			2006	40.00%	10.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	10/26/2006	Mortgage Guaranty Insurance Corporation (MGIC)			2006	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	9/23/2005	Mortgage Guaranty Insurance Corporation (MGIC)			2005	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	9/22/2005	Mortgage Guaranty Insurance Corporation (MGIC)			2005	40.00%	10.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	9/22/2005	Mortgage Guaranty Insurance Corporation (MGIC)			2005	18.00%	4.50%	5.50%	No	No
106-MGI	Mortgage Guaranty Insurance	9/22/2005	Mortgage Guaranty Insurance Corporation (MGIC)			2005	37.50%	7.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	9/22/2005	Mortgage Guaranty Insurance Corporation (MGIC)			2005	37.50%	10.00%	4.30%	No	No
106-MGI	Mortgage Guaranty Insurance	9/22/2005	Mortgage Guaranty Insurance Corporation (MGIC)			2005	35.00%	6.00%	3.00%	No	No
106-MGI	Mortgage Guaranty Insurance	8/12/2003	Mortgage Guaranty Insurance Corporation (MGIC)	Cross Country Insurance Company		2003	42.50%	50.00%	0.00%	No	No
106-MGI	Mortgage Guaranty Insurance	7/21/2003	Mortgage Guaranty Insurance Corporation (MGIC)	OS Reinsurance Company		2003	Sliding	50.00%	0.00%	No	No
106-MGI	Mortgage Guaranty Insurance	7/21/2003	Mortgage Guaranty Insurance Corporation (MGIC)	National City Mortgage Insurance Company, Inc.		2003	Sliding	50.00%	0.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/29/2003	Mortgage Guaranty Insurance Corporation (MGIC)	Cross Country Insurance Company		2003	42.50%	50.00%	0.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/11/2003	Mortgage Guaranty Insurance Corporation (MGIC)	Home Loan Reinsurance Company of Rhode Island		2002	40.00%	10.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/11/2003	Mortgage Guaranty Insurance Corporation (MGIC)	CAP RE of Vermont, Inc.		2002	37.50%	10.00%	4.30%	No	No
106-MGI	Mortgage Guaranty Insurance	4/11/2003	Mortgage Guaranty Insurance Corporation (MGIC)	Cross Country Insurance Company		2002	35.00%	6.00%	3.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/11/2003	Mortgage Guaranty Insurance Corporation (MGIC)	CAP RE of Vermont, Inc.		2002	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/11/2003	Mortgage Guaranty Insurance Corporation (MGIC)	VM Mortgage Reinsurance Company II, Inc.		2002	40.00%	10.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/11/2003	Mortgage Guaranty Insurance Corporation (MGIC)	North Star Mortgage Guaranty Reinsurance Company		2002	40.00%	10.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/11/2003	Mortgage Guaranty Insurance Corporation (MGIC)	M&T Mortgage Reinsurance Company, Inc.		2003	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/11/2003	Mortgage Guaranty Insurance Corporation (MGIC)	VM Mortgage Reinsurance Company, Inc.		2002	40.00%	10.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/11/2003	Mortgage Guaranty Insurance Corporation (MGIC)	Regions Reinsurance Corporation		2002	21.00%	25.00%	0.00%	No	No
106-MGI	Mortgage Guaranty Insurance	9/4/2002	Mortgage Guaranty Insurance Corporation (MGIC)	Drigo Reinsurance Company, Ltd.		2003	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	9/4/2002	Mortgage Guaranty Insurance Corporation (MGIC)	Second Charter Reinsurance Company		2002	37.00%	10.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	7/2/2002	Mortgage Guaranty Insurance Corporation (MGIC)	National City Mortgage Insurance Company, Inc.		2002	37.50%	10.00%	3.50%	No	No
106-MGI	Mortgage Guaranty Insurance	4/9/2002	Mortgage Guaranty Insurance Corporation (MGIC)	Drigo Reinsurance Company, Ltd.		2002	24.25%	30.50%	0.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/5/2002	Mortgage Guaranty Insurance Corporation (MGIC)	CAP RE of Vermont, Inc.		2002	37.50%	10.00%	4.30%	No	No
106-MGI	Mortgage Guaranty Insurance	4/5/2002	Mortgage Guaranty Insurance Corporation (MGIC)	Bank of America Reinsurance Corporation		2002	25.00%	30.50%	0.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/5/2002	Mortgage Guaranty Insurance Corporation (MGIC)	Banc One Private Mortgage Insurance Company, Inc.		2002	41.50%	50.00%	0.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/5/2002	Mortgage Guaranty Insurance Corporation (MGIC)	Ross Reinsurance Company, LTD.		2002	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/5/2002	Mortgage Guaranty Insurance Corporation (MGIC)	Cherokee Insurance Company		2002	40.00%	10.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/5/2002	Mortgage Guaranty Insurance Corporation (MGIC)	Moulton Reinsurance, Ltd.		2002	19.00%	4.00%	6.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/5/2002	Mortgage Guaranty Insurance Corporation (MGIC)	VM Mortgage Reinsurance Company, Inc.		2002	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/5/2002	Mortgage Guaranty Insurance Corporation (MGIC)	Eustis Reinsurance, Ltd.		2002	20.00%	3.50%	4.50%	No	No
106-MGI	Mortgage Guaranty Insurance	3/26/2002	Mortgage Guaranty Insurance Corporation (MGIC)	OS Reinsurance Company		2002	35.00%	7.00%	3.00%	No	No
106-MGI	Mortgage Guaranty Insurance	3/25/2002	Mortgage Guaranty Insurance Corporation (MGIC)	North Star Mortgage Guaranty Reinsurance Company		2002	40.00%	10.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	3/25/2002	Mortgage Guaranty Insurance Corporation (MGIC)	Second Charter Reinsurance Company		2002	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	3/25/2002	Mortgage Guaranty Insurance Corporation (MGIC)	Cross Country Insurance Company		2002	35.00%	6.00%	3.00%	No	No
106-MGI	Mortgage Guaranty Insurance	3/25/2002	Mortgage Guaranty Insurance Corporation (MGIC)	AAMBG Reinsurance, Inc.		2002	40.00%	10.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	3/25/2002	Mortgage Guaranty Insurance Corporation (MGIC)	Second Charter Reinsurance Company		2002	37.00%	10.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/28/2001	Mortgage Guaranty Insurance Corporation (MGIC)	Fifth Third Mortgage Insurance Reinsurance Company		2002	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/28/2001	Mortgage Guaranty Insurance Corporation (MGIC)	SCM Captive Reinsurance Company		2002	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/27/2001	Mortgage Guaranty Insurance Corporation (MGIC)	Piedmont Reinsurance, Ltd.		2002	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/27/2001	Mortgage Guaranty Insurance Corporation (MGIC)	PNC Reinsurance Corporation		2002	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/27/2001	Mortgage Guaranty Insurance Corporation (MGIC)	CAP RE of Vermont, Inc.		2002	40.00%	10.00%	4.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/27/2001	Mortgage Guaranty Insurance Corporation (MGIC)	M&I Mortgage Reinsurance Corporation		2002	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/27/2001	Mortgage Guaranty Insurance Corporation (MGIC)	Prince-Maine Investments Reinsurance, Ltd.		2002	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/27/2001	Mortgage Guaranty Insurance Corporation (MGIC)	Waterfield Reinsurance Corp.		2002	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/27/2001	Mortgage Guaranty Insurance Corporation (MGIC)	HMC Reinsurance Company		2002	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	12/27/2001	Mortgage Guaranty Insurance Corporation (MGIC)	CNI Reinsurance, LTD.		2002	25.00%	5.00%	5.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/20/2000	Mortgage Guaranty Insurance Corporation (MGIC)			2002	18.00%	3.00%	6.00%	No	No
106-MGI	Mortgage Guaranty Insurance	4/13/2000	Mortgage Guaranty Insurance Corporation (MGIC)			2002	25.00%	5.00%	5.00%	No	No

Individual Final Opinion Listing (Int #2):

<-Indicates added to listing 11-27-13

<-Indicates added to listing Dec 2013

Client Code	Client Name	Date	Name #1	Name #2	Name #3	Subject Matter Book Year / Description	Net Premium	Layer %	First Loss %	Negative Opinion?	Attorney-Client Privileged?
106-OFB	OFB Reinsurance, LTD	5/14/2002	OFB Reinsurance, LTD	Mortgage Guaranty Insurance Corporation (MGIC)		2002	25.00%	5.00%	5.00%	No	No
106-OFB	OFB Reinsurance, LTD	5/14/2002	OFB Reinsurance, LTD	Repub ic Mortgage Insurance Company (RMIC)		2002	25.00%	5.00%	5.00%	No	No
106-OFB	OFB Reinsurance, LTD	5/14/2002	OFB Reinsurance, LTD	General Electric Mortgage Insurance Corporation (GEMICO)		2002	25.00%	5.00%	5.00%	No	No
106-PRM	Principal Residential Mortgage, Inc.	12/18/2001	Principal Mortgage Reinsurance Company	Radian Guaranty Inc. (Radian)		2002	25.00%	5.00%	5.00%	No	No
106-PRM	Principal Residential Mortgage, Inc.	4/13/2001	Principal Mortgage Reinsurance Company	PMI Mortgage Insurance Company (PMI)		2002	25.00%	5.00%	5.00%	No	No
106-PRM	Principal Residential Mortgage, Inc.	3/16/2001	Principal Mortgage Reinsurance Company	United Guaranty Residential Insurance Company (UGRIC)		2002	25.00%	5.00%	5.00%	No	No
106-PRM	Principal Residential Mortgage, Inc.	3/16/2001	Principal Mortgage Reinsurance Company	General Electric Mortgage Insurance Corporation (GEMICO)		2002	25.00%	5.00%	5.00%	No	No
106-PRM	Principal Residential Mortgage, Inc.	7/7/2000	Principal Mortgage Reinsurance Company	Mortgage Guaranty Insurance Corporation (MGIC)		2002	25.00%	5.00%	5.00%	No	No
106-PMI	The PMI Group, Inc.	7/9/2008	PMI Mortgage Insurance Co.			2008	21.50%	5.00%	5.00%	No	Yes
106-PMI	The PMI Group, Inc.	6/24/2008	PMI Mortgage Insurance Co.			2008	25.00%	5.00%	4.50%	No	Yes
106-PMI	The PMI Group, Inc.	4/6/2005	PMI Mortgage Insurance Co.			2005	>25.00%	NA	NA	No	No
106-RDN	Radian Guaranty Inc.	12/13/2005	Radian Guaranty Inc. (Radian)	National City Home Loan Service, Inc.		2005	50.00%	50.00%	0.00%	No	No
106-RDN	Radian Guaranty Inc.	10/4/2004	Radian Guaranty Inc. (Radian)			2003	25.00%	5.00%	5.00%	No	No
106-RDN	Radian Guaranty Inc.	10/4/2004	Radian Guaranty Inc. (Radian)			2003	35.00%	6.00%	3.00%	No	No
106-RDN	Radian Guaranty Inc.	10/4/2004	Radian Guaranty Inc. (Radian)			2003	40.00%	10.00%	4.00%	No	No
106-RMI	Republic Mortgage Insurance Company	4/17/2006	Republic Mortgage Insurance Company	AAMBG Reinsurance, Inc.		2005	40.00%	10.00%	4.00%	No	No
106-RMI	Republic Mortgage Insurance Company	5/25/2006	Republic Mortgage Insurance Company	Balboa Reinsurance Company (Balboa)		2005	37.00%	10.00%	4.00%	No	No
106-RMI	Republic Mortgage Insurance Company	5/25/2006	Republic Mortgage Insurance Company	Bank of America Reinsurance Corporation		2005	40.00%	9.00%	3.00%	No	No
106-RMI	Republic Mortgage Insurance Company	5/25/2006	Republic Mortgage Insurance Company	BB&T Mortgage Reinsurance Company		2005	25.00%	5.00%	5.00%	No	No
106-RMI	Republic Mortgage Insurance Company	5/25/2006	Republic Mortgage Insurance Company	Cherokee Insurance Company		2005	40.00%	10.00%	4.00%	No	No
106-RMI	Republic Mortgage Insurance Company	5/25/2006	Republic Mortgage Insurance Company	Cross Country Insurance Company		2005	35.00%	6.00%	3.00%	No	No
106-RMI	Republic Mortgage Insurance Company	5/25/2006	Republic Mortgage Insurance Company	North Star Mortgage Guaranty Reinsurance Company		2005	40.00%	10.00%	3.90%	No	No
106-RMI	Republic Mortgage Insurance Company	4/18/2006	Republic Mortgage Insurance Company	WM Mortgage Reinsurance Company, Inc.		2005	40.00%	10.00%	4.00%	No	No
106-RMI	Republic Mortgage Insurance Company	1/23/2006	Republic Mortgage Insurance Company			2004	25.00%	5.00%	5.00%	No	No
106-RMI	Republic Mortgage Insurance Company	1/27/2005	Republic Mortgage Insurance Company	FT Reinsurance Company		2004	35.00%	8.00%	4.00%	No	No
106-RMI	Republic Mortgage Insurance Company	9/10/2005	Republic Mortgage Insurance Company	CAP RE of Vermont		2004	37.00%	5.00%	4.00%	No	No
106-RMI	Republic Mortgage Insurance Company	9/20/2004	Republic Mortgage Insurance Company	E*Trade Re, LLC		2003	25.00%	5.00%	5.00%	No	No
106-RMI	Republic Mortgage Insurance Company	9/20/2004	Republic Mortgage Insurance Company	The Hometrust Bank		2003	25.00%	5.00%	5.00%	No	No
106-RMI	Republic Mortgage Insurance Company	9/20/2004	Republic Mortgage Insurance Company	Superior Mortgage Services		2003	25.00%	5.00%	5.00%	No	No
106-RMI	Republic Mortgage Insurance Company	9/20/2004	Republic Mortgage Insurance Company	Charter Insurance Company, Inc.		2003	25.00%	5.00%	5.00%	No	No
106-RMI	Republic Mortgage Insurance Company	9/20/2004	Republic Mortgage Insurance Company	Homebank Mortgage Corporation		2003	25.00%	5.00%	4.00%	No	No
106-RMI	Republic Mortgage Insurance Company	4/25/2003	Republic Mortgage Insurance Company	WM Mortgage Reinsurance Company, Inc.		2002	40.00%	10.00%	4.00%	No	No
106-RMI	Republic Mortgage Insurance Company	4/24/2003	Republic Mortgage Insurance Company	Bank of America Reinsurance Corporation		2002	40.00%	10.00%	4.00%	No	No
106-RMI	Republic Mortgage Insurance Company	7/9/2002	Republic Mortgage Insurance Company	Second Charter Reinsurance Company		2002	37.00%	10.00%	4.00%	No	No
106-RMI	Republic Mortgage Insurance Company	3/6/2002	Republic Mortgage Insurance Company	TCF Mortgage Corporation		2002	25.00%	5.00%	5.00%	No	No
106-RMI	Republic Mortgage Insurance Company	9/27/2001	Republic Mortgage Insurance Company	HSB Reinsurance (USA) Inc.		2001	35.00%	6.00%	4.00%	No	No
106-RMI	Republic Mortgage Insurance Company	11/2/2001	Republic Mortgage Insurance Company	Second Charter Reinsurance Company		2001	25.00%	5.00%	5.00%	No	No
106-RMI	Republic Mortgage Insurance Company	12/27/2001	Republic Mortgage Insurance Company	CAP RE of Vermont		2004	25.00%	6.75%	5.75%	No	No
106-SFB	AAMBG Reinsurance, Inc.	1/26/2006	AAMBG Reinsurance, Inc. (AAMBG)	Radian Guaranty Inc. (Radian)	ABN AMRO Mortgage Group, Inc.	2004	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	1/26/2006	AAMBG Reinsurance, Inc. (AAMBG)	General Electric Mortgage Insurance Corporation (GEMIC)	ABN AMRO Mortgage Group, Inc.	2004	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	1/26/2006	AAMBG Reinsurance, Inc. (AAMBG)	United Guaranty Residential Insurance Company (UGRIC)	ABN AMRO Mortgage Group, Inc.	2004	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	1/26/2006	AAMBG Reinsurance, Inc. (AAMBG)	Repub ic Mortgage Insurance Company (RMIC)	ABN AMRO Mortgage Group, Inc.	2004	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	1/26/2006	AAMBG Reinsurance, Inc. (AAMBG)	PMI Mortgage Insurance Company (PMI)	ABN AMRO Mortgage Group, Inc.	2004	35.00%	7.00%	3.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	1/26/2006	AAMBG Reinsurance, Inc. (AAMBG)	Triad Guaranty Insurance Corporation (Triad)	ABN AMRO Mortgage Group, Inc.	2004	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	1/26/2006	AAMBG Reinsurance, Inc. (AAMBG)	Mortgage Guaranty Insurance Corporation (MGIC)	ABN AMRO Mortgage Group, Inc.	2004	25.00%	5.00%	5.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	7/16/2004	AAMBG Reinsurance, Inc. (AAMBG)	Radian Guaranty Inc. (Radian)	ABN AMRO Mortgage Group, Inc.	2003	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	7/16/2004	AAMBG Reinsurance, Inc. (AAMBG)	General Electric Mortgage Insurance Corporation (GEMIC)	ABN AMRO Mortgage Group, Inc.	2003	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	7/16/2004	AAMBG Reinsurance, Inc. (AAMBG)	United Guaranty Residential Insurance Company (UGRIC)	ABN AMRO Mortgage Group, Inc.	2003	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	7/16/2004	AAMBG Reinsurance, Inc. (AAMBG)	Repub ic Mortgage Insurance Company (RMIC)	ABN AMRO Mortgage Group, Inc.	2003	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	7/16/2004	AAMBG Reinsurance, Inc. (AAMBG)	PMI Mortgage Insurance Company (PMI)	ABN AMRO Mortgage Group, Inc.	2003	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	7/16/2004	AAMBG Reinsurance, Inc. (AAMBG)	Triad Guaranty Insurance Corporation (Triad)	ABN AMRO Mortgage Group, Inc.	2003	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	7/16/2004	AAMBG Reinsurance, Inc. (AAMBG)	Mortgage Guaranty Insurance Corporation (MGIC)	ABN AMRO Mortgage Group, Inc.	2003	25.00%	5.00%	5.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	11/11/2002	AAMBG Reinsurance, Inc. (AAMBG)	Radian Guaranty Inc. (Radian)	ABN AMRO Mortgage Group, Inc.	2002	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	11/11/2002	AAMBG Reinsurance, Inc. (AAMBG)	General Electric Mortgage Insurance Corporation (GEMIC)	ABN AMRO Mortgage Group, Inc.	2002	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	11/11/2002	AAMBG Reinsurance, Inc. (AAMBG)	United Guaranty Residential Insurance Company (UGRIC)	ABN AMRO Mortgage Group, Inc.	2002	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	11/11/2002	AAMBG Reinsurance, Inc. (AAMBG)	Repub ic Mortgage Insurance Company (RMIC)	ABN AMRO Mortgage Group, Inc.	2002	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	11/11/2002	AAMBG Reinsurance, Inc. (AAMBG)	PMI Mortgage Insurance Company (PMI)	ABN AMRO Mortgage Group, Inc.	2002	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	11/11/2002	AAMBG Reinsurance, Inc. (AAMBG)	Triad Guaranty Insurance Corporation (Triad)	ABN AMRO Mortgage Group, Inc.	2002	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	11/11/2002	AAMBG Reinsurance, Inc. (AAMBG)	Mortgage Guaranty Insurance Corporation (MGIC)	ABN AMRO Mortgage Group, Inc.	2002	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	11/11/2002	AAMBG Reinsurance, Inc. (AAMBG)	Repub ic Mortgage Insurance Company (RMIC)	ABN AMRO Mortgage Group, Inc.	2001	40.00%	10.00%	4.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	11/13/2001	AAMBG Reinsurance, Inc. (AAMBG)	General Electric Mortgage Insurance Company (GEMIC)	AAMBG Reinsurance, Inc.	2001	25.00%	5.00%	5.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	12/15/1998	Standard Federal Bank	United Guaranty Residential Insurance Company (UGC)	AAMBG Reinsurance, Inc.	2001	25.00%	5.00%	5.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	12/15/1998	Standard Federal Bank	Repub ic Mortgage Insurance Company (Repub ic)	AAMBG Reinsurance, Inc.	2001	25.00%	5.00%	5.00%	No	No
106-SFB	AAMBG Reinsurance, Inc.	12/15/1998	Standard Federal Bank	United Guaranty Residential Insurance Company (UGRIC)	AAMBG Reinsurance, Inc.	2001	25.00%	5.00%	5.00%	No	No
106-STM	SouthTrust Mortgage Corporation	4/26/2004	SC Financial Insurance Corporation	Repub ic Mortgage Insurance Company (RMIC)		2004	25.00%	5.00%	5.00%	No	No
106-SUN	SunTrust Mortgage, Inc.	9/6/2007	Twin Rivers Insurance Company (Twin Rivers)	Genworth Mortgage Insurance Corporation (Genworth)	SunTrust Mortgage, Inc. (SunTrust)	2007	40.00%	10.00%	4.00%	No	No
106-SUN	SunTrust Mortgage, Inc.	9/6/2007	Twin Rivers Insurance Company (Twin Rivers)	Mortgage Guaranty Insurance Corporation (MGIC)	SunTrust Mortgage, Inc. (SunTrust)	2007	25.00%	5.00%	5.00%	No	No
106-SUN	SunTrust Mortgage, Inc.	9/6/2007	Twin Rivers Insurance Company (Twin Rivers)	PMI Mortgage Insurance Company (PMI)	SunTrust Mortgage, Inc. (SunTrust)	2007	40.00%	10.00%	4.00%	No	No
106-SUN	SunTrust Mortgage, Inc.	9/6/2007	Twin Rivers Insurance Company (Twin Rivers)	Radian Guaranty, Inc. (Radian)	SunTrust Mortgage, Inc. (SunTrust)	2007	40.00%	10.00%	4.00%	No	No
106-SUN	SunTrust Mortgage, Inc.	9/6/2007	Twin Rivers Insurance Company (Twin Rivers)	Repub ic Mortgage Insurance Company (RMIC)	SunTrust Mortgage, Inc. (SunTrust)	2007	40.00%	10.00%	4.00%	No	No
106-SUN	SunTrust Mortgage, Inc.	9/6/2007	Twin Rivers Insurance Company (Twin Rivers)	United Guaranty Residential Insurance Company (UGRIC)	SunTrust Mortgage, Inc. (SunTrust)	2007	40.00%	10.00%	4.00%	No	No
106-SUN	SunTrust Mortgage, Inc.	5/8/2006	SunTrust Mortgage, Inc. (SunTrust)	Cherokee Insurance Company (Cherokee)	Radian Guaranty Inc. (Radian)	2005	40.00%	10.00%	4.00%	No	No
106-SUN	SunTrust Mortgage, Inc.	10/25/2001	Cherokee Insurance Company (Cherokee) - subsidiary of SunTrust Mortga	SunTrust Mortgage, Inc. (Suntrust)		2001	35.00%	8.00%	4.00%	No	No
106-SUN	SunTrust Mortgage, Inc.	10/25/2001	Cherokee Insurance Company (Cherokee) - subsidiary of SunTrust Mortga	SunTrust Mortgage, Inc. (Suntrust)		2001	40.00%	10.00%	4.00%	No	No
106-SUN	SunTrust Mortgage, Inc.	4/13/2001	Cherokee Insurance Company (Cherokee) - subsidiary of SunTrust Mortga	SunTrust Mortgage, Inc. (Suntrust)		2001	35.00%	7.00%	4.00%	No	No
106-SUN	SunTrust Mortgage, Inc.	10/7/2000	Cherokee Insurance Company (Cherokee) - subsidiary of SunTrust Mortga	Repub ic Mortgage Insurance Company (Repub ic)	SunTrust Mortgage, Inc. (Suntrust)	2000	25.00%	5.00%	5.00%	No	No
106-TRD	Triad Guaranty Insurance Corp	11/29/2006	Triad Guaranty Insurance Corp. (Triad)			2006	40.00%	105.00%	35.00%	No	No
106-TRD	Triad Guaranty Insurance Corp	8/19/2005	Triad Guaranty Insurance Corp. (Triad)			2004	25.00%	5.00%	5.00%	No	No
106-TRD	Triad Guaranty Insurance Corp	8/19/2005	Triad Guaranty Insurance Corp. (Triad)			2004	40.00%	10.00%	4.00%	No	No
106-TRD	Triad Guaranty Insurance Corp	7/10/2002	Triad Guaranty Insurance Corp. (Triad)			2002	40.00%	10.00%	4.00%	No	No
106-TRD	Triad Guaranty Insurance Corp	1/4/2000	Triad Guaranty Insurance Corp. (Triad)			2000	40.00%	7.00%	2.00%	No	No
106-TRD	Triad Guaranty Insurance Corp	1/4/2000	Triad Guaranty Insurance Corp. (Triad)			2000	37.50%	6.50%	2.50%	No	No
106-TRD	Triad Guaranty Insurance Corp	1/4/2000	Triad Guaranty Insurance Corp. (Triad)			2000	35.00%	6.00%	3.00%	No	No
106-TRD	Triad Guaranty Insurance Corp	1/4/2000	Triad Guaranty Insurance Corp. (Triad)			2000	32.50%	5.50%	3.50%	No	No
106-TRD	Triad Guaranty Insurance Corp	1/4/2000	Triad Guaranty Insurance Corp. (Triad)			2000	30.00%	6.00%	4.00%	No	No
106-TRD	Triad Guaranty Insurance Corp	1/4/2000	Triad Guaranty Insurance Corp. (Triad)			2000	27.50%	5.50%	3.50%	No	No
106-TRD	Triad Guaranty Insurance Corp	1/4/2000	Triad Guaranty Insurance Corp. (Triad)			2000	25.00%	5.00%	5.00%	No	No
106-TRD	Triad Guaranty Insurance Corp	12/1/1999	Triad Guaranty Insurance Corp. (Triad)	Countrywide Home Loans (Countrywide)		1999	27.50%	5.00%	4.50%	No	No
106-TRD	Triad Guaranty Insurance Corp	12/1/1999	Triad Guaranty Insurance Corp. (Triad)			1999	25.00%	5.00%	5.00%	No	No
106-TRD	Triad Guaranty Insurance Corp	2/12/1999	Triad Guaranty Insurance Corp. (Triad)			1999	25.00%	NA	3.00%	No	No
106-TRD	Triad Guaranty Insurance Corp	2/12/1999	Triad Guaranty Insurance Corp. (Triad)			1999	25.00%	NA	3.00%	No	No
106-TRD	Triad Guaranty Insurance Corp										

Individual Final Opinion Listing (Int #2):

<--Indicates added to listing 11-27-13

<--Indicates added to listing Dec 2013

Client Code	Client Name	Date	Name #1	Name #2	Name #3	Subject Matter Book Year / Description	Net Premium	Layer %	First Loss %	Negative Opinion?	Attorney-Client Privileged?
106-UIGC	United Guaranty Corporation	12/22/2011	United Guaranty Residential Insurance Company and United Guaranty Mortgage Indemnity Company (UGRIC/UGMIC)			2012	19.50%	25.00%	4.00%	No	No
106-UIGC	United Guaranty Corporation	12/31/2008	United Guaranty Residential Insurance Company and United Guaranty MoBank of America Reinsurance Corporation			2008	25.00%	6.00%	4.50%	No	No
106-UIGC	United Guaranty Corporation	10/28/2008	United Guaranty Residential Insurance Company and United Guaranty Mortgage Indemnity Company (UGRIC/UGMIC)			2008	21.00%	5.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	8/4/2008	United Guaranty Residential Insurance Company and United Guaranty Mortgage Indemnity Company (UGRIC/UGMIC)			2008	25.00%	6.00%	4.00%	No	No
106-UIGC	United Guaranty Corporation	1/10/2008	United Guaranty Residential Insurance Company and United Guaranty MoNational City Mortgage Insurance Company, Inc.			2008	35.00%	8.50%	4.00%	No	No
106-UIGC	United Guaranty Corporation	12/31/2007	United Guaranty Residential Insurance Company and United Guaranty MoCherokee Insurance Company			2007	45.00%	10.00%	4.00%	No	No
106-UIGC	United Guaranty Corporation	9/18/2007	United Guaranty Residential Insurance Company and United Guaranty MoBank of America Reinsurance Corporation			2007	40.00%	9.00%	3.50%	No	No
106-UIGC	United Guaranty Corporation	9/18/2007	United Guaranty Residential Insurance Company and United Guaranty MoCAP Re of Vermont, Inc.			2007	37.50%	10.00%	4.20%	No	No
106-UIGC	United Guaranty Corporation	9/18/2007	United Guaranty Residential Insurance Company and United Guaranty MoCross Country Insurance Company			2007	35.00%	6.00%	3.00%	No	No
106-UIGC	United Guaranty Corporation	9/18/2007	United Guaranty Residential Insurance Company and United Guaranty MoFT Reinsurance Company			2007	35.00%	8.00%	4.00%	No	No
106-UIGC	United Guaranty Corporation	7/20/2007	United Guaranty Residential Insurance Company and United Guaranty MoOS Reinsurance Company			2007	35.00%	7.00%	3.00%	No	No
106-UIGC	United Guaranty Corporation	4/23/2007	United Guaranty Residential Insurance Company and United Guaranty MoBalboa Reinsurance Company			2007	37.00%	10.00%	4.00%	No	No
106-UIGC	United Guaranty Corporation	4/3/2007	United Guaranty Residential Insurance Company and United Guaranty MoAAMBG Reinsurance, Inc.			2007	40.00%	10.00%	4.00%	No	No
106-UIGC	United Guaranty Corporation	4/3/2007	United Guaranty Residential Insurance Company and United Guaranty MoWM Mortgage Reinsurance Company, Inc.			2007	40.00%	10.00%	4.00%	No	No
106-UIGC	United Guaranty Corporation	3/15/2007	United Guaranty Residential Insurance Company and United Guaranty Mortgage Indemnity Company (UGRIC/UGMIC)			2007	25.00%	5.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	3/15/2007	United Guaranty Residential Insurance Company and United Guaranty Mortgage Indemnity Company (UGRIC/UGMIC)			2007	25.00%	5.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	2/7/2007	United Guaranty Residential Insurance Company and United Guaranty MoWachovia Re., Inc.			2006	40.00%	10.00%	3.25%	No	No
106-UIGC	United Guaranty Corporation	2/2/2007	United Guaranty Residential Insurance Company and United Guaranty MoAtrium Insurance Corporation			2006	40.00%	10.00%	5.25%	No	No
106-UIGC	United Guaranty Corporation	1/12/2007	United Guaranty Residential Insurance Company and United Guaranty MoAtrium Insurance Corporation			2006	40.00%	10.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	1/10/2007	United Guaranty Residential Insurance Company of North Carolina (UGC) National City Mortgage Insurance Solution, Inc.	United Guaranty Corporation		2006	42.50%	50.00%	0.00%	No	No
106-UIGC	United Guaranty Corporation	12/11/2006	United Guaranty Residential Insurance Company of North Carolina (UGC) National City Mortgage Insurance Company, Inc.			2006	35.00%	8.50%	3.50%	No	No
106-UIGC	United Guaranty Corporation	5/2/2006	United Guaranty Residential Insurance Company of North Carolina (UGC)			2004	44.00%	50.00%	0.00%	No	No
106-UIGC	United Guaranty Corporation	5/9/2005	United Guaranty Residential Insurance Company of North Carolina (UGC) First Southeast Reinsurance Company			2004	25.00%	4.50%	4.00%	No	No
106-UIGC	United Guaranty Corporation	3/18/2005	United Guaranty Residential Insurance Company of North Carolina (UGC) Banc One Private Mortgage Insurance Company, Inc.			2004	42.00%	50.00%	0.00%	No	No
106-UIGC	United Guaranty Corporation	11/10/2004	United Guaranty Residential Insurance Company of North Carolina (UGC) Myers Park Mortgage			2004	25.00%	4.50%	4.00%	No	No
106-UIGC	United Guaranty Corporation	11/10/2004	United Guaranty Residential Insurance Company of North Carolina (UGC) Bank of America Reinsurance Corporation			2004	40.00%	8.00%	4.50%	No	No
106-UIGC	United Guaranty Corporation	8/14/2003	United Guaranty Corporation (UGC)	First Union		2003	25.00%	42.30%	40.35%	No	No
106-UIGC	United Guaranty Corporation	7/3/2003	United Guaranty Corporation (UGC)			2002	40.00%	9.00%	2.00%	No	No
106-UIGC	United Guaranty Corporation	5/6/2003	United Guaranty Corporation (UGC)			2002	40.00%	10.00%	4.00%	No	No
106-UIGC	United Guaranty Corporation	6/6/2002	United Guaranty Corporation (UGC)			2002	40.00%	10.00%	4.00%	No	No
106-UIGC	United Guaranty Corporation	5/1/2002	United Guaranty Corporation (UGC)			2002	40.00%	12.00%	3.00%	No	No
106-UIGC	United Guaranty Corporation	11/5/2002	United Guaranty Corporation (UGC)			2002	37.50%	10.00%	4.20%	No	No
106-UIGC	United Guaranty Corporation	11/29/2001	United Guaranty Residential Insurance Corporation (UGC)	Citimortgage, Inc. (Citimortgage)		2005	25.00%	5.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	11/12/2001	United Guaranty Residential Insurance Corporation (UGC)	Regions Bank (Regions)		2005	21.675%	25.00%	0.00%	No	No
106-UIGC	United Guaranty Corporation	11/5/2001	United Guaranty Residential Insurance Corporation (UGC)	Wells Fargo Home Mortgage (Wells Fargo)	North Star (Well Fargo's Captive Mortgage Reinsurance Subsidiary)	2005	37.50%	10.00%	3.70%	No	No
106-UIGC	United Guaranty Corporation	10/24/2001	United Guaranty Residential Insurance Corporation (UGC)	Waterfield Reinsurance Corporation (Waterfield)		2005	25.00%	5.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	8/29/2001	United Guaranty Residential Insurance Corporation (UGC)	Irwin Mortgage Company (Irwin)		2005	25.00%	5.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	5/10/2001	United Guaranty Corporation (UGC)	United Guaranty Residential Insurance Company (UGRIC On-Shore)		2005	25.00%	5.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	5/10/2001	United Guaranty Corporation (UGC)	United Guaranty Residential Insurance Company (UGRIC Off-Shore)		2005	25.00%	5.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	5/10/2001	United Guaranty Corporation (UGC)	United Guaranty Partners Insurance Company	Sponsored Cell Captive	2005	25.00%	5.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	4/18/2001	United Guaranty Corporation (UGC)			2005	35.00%	8.00%	4.00%	No	No
106-UIGC	United Guaranty Corporation	3/27/2001	United Guaranty Residential Insurance Corporation	Cendant Mortgage Services Corporation (Cendant)		2005	40.00%	10.00%	4.00%	No	No
106-UIGC	United Guaranty Corporation	3/26/2001	United Guaranty Corporation (UGC)	Stratford Mortgage (Stratford)		2005	22.50%	3.50%	4.50%	No	No
106-UIGC	United Guaranty Corporation	3/9/2001	United Guaranty Residential Insurance Corporation (UGC)	Citimortgage, Inc. (Citimortgage)		2005	25.00%	5.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	3/9/2001	United Guaranty Residential Insurance Corporation (UGC)	Wells Fargo Home Mortgage (Wells Fargo)		2005	25.00%	7.00%	3.80%	No	No
106-UIGC	United Guaranty Corporation	12/22/1999	United Guaranty Corporation (UGC)			2005	25.00%	5.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	12/22/1999	United Guaranty Corporation (UGC)			2005	25.00%	5.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	12/22/1999	United Guaranty Corporation (UGC)			2005	25.00%	5.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	10/8/1999	United Guaranty Corporation (UGC)			2005	25.00%	5.00%	5.00%	No	No
106-UIGC	United Guaranty Corporation	3/26/1999	United Guaranty Corporation (UGC)			2005	36.45%	10.00%	4.00%	No	No
106-UIGC	United Guaranty Corporation	3/26/1999	United Guaranty Corporation (UGC)			2005	36.45%	10.00%	4.00%	No	No
106-UIGC	United Guaranty Corporation	12/29/1998	United Guaranty Corporation (UGC)			2005	36.45%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	5/15/2009	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Genworth Mortgage Insurance Corporation (Genworth)	2007	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	5/15/2009	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Mortgage Guaranty Insurance Corporation (MGIC)	2007	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	5/15/2009	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	PMI Mortgage Insurance Co. (PMI)	2007	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	5/15/2009	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Radian Guaranty Inc. (Radian)	2007	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	5/15/2009	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Repub ic Mortgage Insurance Company (RMIC)	2007	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	5/15/2009	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Triad Guaranty Insurance Corporation (TGIC)	2007	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	5/15/2009	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	United Guaranty Residential Insurance Company (UGRIC)	2007	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	4/21/2008	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Genworth Mortgage Insurance Corporation (Genworth)	2006	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	4/21/2008	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Mortgage Guaranty Insurance Corporation (MGIC)	2006	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	4/21/2008	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	PMI Mortgage Insurance Co. (PMI)	2006	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	4/21/2008	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Radian Guaranty Inc. (Radian)	2006	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	4/21/2008	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Repub ic Mortgage Insurance Company (RMIC)	2006	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	4/21/2008	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Triad Guaranty Insurance Corporation (TGIC)	2006	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	4/21/2008	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	United Guaranty Residential Insurance Company (UGRIC)	2006	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	4/30/2007	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Mortgage Guaranty Insurance Corporation (MGIC)	2005	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	4/30/2007	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	PMI Mortgage Insurance Co. (PMI)	2005	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	4/30/2007	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Radian Guaranty Inc. (Radian)	2005	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	4/30/2007	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Repub ic Mortgage Insurance Company (RMIC)	2005	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	4/30/2007	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Triad Guaranty Insurance Corporation (TGIC)	2005	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	4/30/2007	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	United Guaranty Residential Insurance Company (UGRIC)	2005	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	2/12/2007	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Genworth Mortgage Insurance Corporation (Genworth)	2005	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	7/12/2006	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Genworth Mortgage Insurance Corporation (Genworth)	2004	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	7/21/2006	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Mortgage Guaranty Insurance Corporation (MGIC)	2004	25.00%	5.00%	5.00%	No	No
106-WMUJ	Washington Mutual	7/21/2006	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	PMI Mortgage Insurance Co. (PMI)	2004	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	7/21/2006	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Radian Guaranty Inc. (Radian)	2004	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	7/21/2006	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Repub ic Mortgage Insurance Company (RMIC)	2004	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	7/21/2006	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Triad Guaranty Insurance Corporation (TGIC)	2004	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	7/21/2006	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	United Guaranty Residential Insurance Company (UGRIC)	2004	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	1/31/2005	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Genworth Mortgage Insurance Corporation (Genworth)	2004	40.00%	9.00%	3.00%	No	No
106-WMUJ	Washington Mutual	1/31/2005	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Repub ic Mortgage Insurance Company (RMIC)	2003	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	10/21/2004	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	United Guaranty Residential Insurance Company (UGRIC)	2003	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	10/21/2004	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Mortgage Guaranty Insurance Corporation (MGIC)	2003	25.00%	5.00%	5.00%	No	No
106-WMUJ	Washington Mutual	10/21/2004	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Genworth Mortgage Insurance Corporation (Genworth)	2003	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	10/21/2004	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	PMI Mortgage Insurance Co. (PMI)	2003	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	10/21/2004	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Radian Guaranty Inc. (Radian)	2003	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	10/21/2004	Washington Mutual, Inc. (WaMu)	WM Mortgage Reinsurance Company, Inc. (WM Re)	Triad Guaranty Insurance Corporation (TGIC)	2003	40.00%	10.00%	4.00%	No	No
106-WMUJ	Washington Mutual	9/26/2000	Letter of Transm tial for a "analysis of the proposed 25% net premium excess of loss reinsurance program", but no actual report is included			2004				No	No
106-WMUJ	Washington Mutual	7/17/2000	WM Mortgage Reinsurance Company (WM Re)	Washington Mutual Bank (WAMU)		2003	25.00%	5.00%			

EXHIBIT U



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Using a Bank Captive Subsidiary To Reinsure Mortgage Insurance

In the past year a number of banks and other mortgage lenders have set up captive reinsurance companies. Eight have been set up in Vermont, the leading US captive domicile. Several other lenders are currently evaluating the feasibility of establishing mortgage insurance captives.

Why the recent activity? Mortgage insurance has been profitable for the past several years. Lenders, who essentially produce the business for the mortgage insurers, have been seeking ways to share in these profits. Mortgage insurers are prohibited from making payments (such as sales commissions) to lenders by the Real Estate Settlement Procedures Act ("RESPA"). Also, lenders are generally prohibited from underwriting the insurance directly in house. However, in October, 1996, the Office of the Comptroller of the Currency ("OCC") cleared the way for banks to assume risk, via captive reinsurance subsidiaries, on mortgage loans originated or purchased by the bank.

Banks and other mortgage lenders generally require mortgage insurance on loans where the borrower's down payment is less than 20% of the property value. Traditionally, lenders purchase the mortgage insurance from a third-party insurer and charge the premium back to the borrower. Now, a lender can set up a captive reinsurance subsidiary to assume a portion of the premium (and a portion of the risk) on loans it originates.

In general, a mortgage captive program works as follows:

The lender forms a subsidiary company licensed to reinsure mortgage insurance. The subsidiary, called a captive, reinsures the lender's mortgage insurer. The captive must meet the capital requirements of the licensing domicile and the primary mortgage insurer. Generally, the mortgage insurer also requires the captive to maintain a trust account where funds are held to pay for future claims. Capital and trust fund requirements are commensurate with the risk assumed by the captive. The lender originates loans, which are insured as usual by the primary mortgage insurer. The captive assumes a portion of the premium via a reinsurance contract with the primary mortgage insurer (common captive premium levels are 15% to 20% of the total premium). The captive is then responsible for certain losses as defined by the contract. Typically, an aggregate excess approach is used, where the captive is responsible for losses within a certain tier.

For example, on a \$1 billion block of loans, the expected (average) losses might be \$10 million. The captive might cover losses in the tier from \$15 million to \$22.5 million (i.e., maximum losses of \$7.5 million). Over the ten-year term of a reinsurance contract covering this block of loans, the captive might collect \$5 million in premium.

As in this example, the captive's coverage tier is usually set above the level of expected losses. However, the captive is usually exposed to some risk of loss in order for the program to qualify as reinsurance under financial accounting standards.

In the example above, the captive's exposure on one loan origination year is capped at \$7.5 million. Generally, the captive's total exposure across all loan origination years also is capped by an aggregate limit (e.g., based on funds available in the trust account).

If actual losses develop to the expected level, the above arrangement, from the lender's perspective, is financially equivalent to receiving a commission or profit sharing equal to a percentage of premium, less any administrative expenses incurred to set up and operate the captive. However, there is risk involved as actual long-term results are uncertain.

It typically takes from two to four months for a captive program to be licensed and begin operations. Certain domiciles are conducive to forming a captive, due to their regulatory environment and service provider infrastructure. Formation costs can vary from \$25,000 to \$50,000 or more. Annual operating costs typically are in the \$25,000 to \$50,000 range.

We expect that there will be more of these captive mortgage reinsurance companies formed in the future.

By: Timothy J. Cremin
Milliman, Inc.
289 Edgewater Drive
Wakefield, MA 01880
Telephone: (781) 213 - 6200
Fax: (781) 213-6201
E-mail: tim.cremin@milliman.com

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EXHIBIT V

Message

From: Rosenthal, Sam (MBS) [Sam.Rosenthal@mortgagefamily.com]
Sent: 8/13/2009 4:00:54 PM
To: Bahr, Alan [Alan.Bahr@cmgmi.com]; Kinkler, Fred [Fred.Kinkler@mortgagefamily.com]
CC: Dillon, Joe [Joe.Dillon@cmgmi.com]; Berkowitz, Mark [Mark.Berkowitz@cmgmi.com]; Hunter, Jeffrey [jeffrey.hunter@pmigroup.com]
Subject: RE: CMG Mortgage Insurance Co. - Electronic Payment Notification

Hi Alan - thank you for the response. We will forward some signed documents shortly. Thanks. Sam

-----Original Message-----

From: Bahr, Alan [mailto:Alan.Bahr@cmgmi.com]
Sent: Thursday, August 13, 2009 11:56 AM Eastern Standard Time
To: Rosenthal, Sam (MBS)
Cc: Dillon, Joe; Berkowitz, Mark; Hunter, Jeffrey
Subject: RE: CMG Mortgage Insurance Co. - Electronic Payment Notification

Hi, Sam:

I called your office this morning and learned that you'll be on vacation until Tuesday. I hope you're having an enjoyable time.

While we understand the economics behind PHH's choice not to fund the Atrium trust deficiency and concur that commutation of the captive is the resulting next step, I must express CMG MI's deep disappointment in the decision. We had anticipated a resolution that would support the integrity of the structure in place. That being said, our legal people have looked at the commutation document you drafted and we've agreed to execute it. Perhaps you can begin the process by sending us two signed copies?

Thanks for your assistance in this matter.

Alan

From: Rosenthal, Sam (MBS) [mailto:Sam.Rosenthal@mortgagefamily.com]
Sent: Wednesday, August 12, 2009 7:40 AM
To: Bahr, Alan
Subject: FW: CMG Mortgage Insurance Co. - Electronic Payment Notification

Hi Alan - how are we doing on the commutation agreement?

-----Original Message-----

From: era@pmigroup.com [mailto:era@pmigroup.com]
Sent: Tue 8/11/2009 6:33 PM
To: Rosenthal, Sam (MBS); era@pmigroup.com
Subject: CMG Mortgage Insurance Co. - Electronic Payment Notification

ELECTRONIC PAYMENT INFORMATION

Date: 08-11-09

Dear: ATRIUM/CMG MORTGAGE INS. COM

From: CMG Mortgage Insurance Co.

The following payment has been processed by accounts payable and the funds will be available in your account 2 business days after the date of this remittance advice.

Invoice Date: 06-30-09
Invoice Number: 8900267674/063009
Amount: 00000297379.44
Description: 2Q09 PREM CESS PHH MORT CORP

If you have any questions concerning this payment, please respond to this e-mail.

Thank You.

This email message, including all attachments, is for the sole use of the intended recipient(s).
If you are not the intended recipient, you may not use, disclose, copy, or disseminate this information.
If you have received this communication in error, please contact the sender immediately, and then delete or destroy the material in its entirety.

EXHIBIT W

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO.: 1:13-cv-21189-KMW (Williams)

**CONSUMER FINANCIAL
PROTECTION BUREAU,**

Plaintiff,

v.

**UNITED GUARANTY
CORPORATION,**

Defendant.

FINAL CONSENT JUDGMENT AND ORDER

Plaintiff, the Consumer Financial Protection Bureau (“CFPB” or “Bureau”), has filed a Complaint for Permanent Injunction and Other Relief (the “Complaint”), pursuant to Section 1054 of the Consumer Financial Protection Act of 2010 (“CFPA”), 12 U.S.C. § 5564, and Sections 8 and 16 of the Real Estate Settlement Procedures Act (“RESPA”), 12 U.S.C. §§ 2607, 2614.

The Complaint alleges that defendant United Guaranty Corporation (“United Guaranty” or “Defendant”) has violated Section 8 of the Real Estate Settlement Procedures Act (“RESPA”), 12 U.S.C. § 2607.

The parties, by and through their respective counsel, have agreed to entry of this Proposed Final Consent Judgment and Order (“Order”) by this Court, without trial or adjudication of any issue of fact or law, to settle and resolve all matters of dispute arising from

the conduct alleged in the Complaint. Defendant waives all rights to seek judicial review or otherwise challenge or contest the validity of this Order, and Defendant waives any right that may arise under the Equal Access to Justice Act, 28 U.S.C. § 2412. Defendant has waived service of the Summons and Complaint.

The parties having requested the Court to enter this Order, it is therefore ORDERED, ADJUDGED, and DECREED as follows:

FINDINGS

1. This Court has jurisdiction of the subject matter of this case and has jurisdiction over Defendant. Venue in this District is proper.
2. The Complaint states a claim upon which relief may be granted under Section 8 of RESPA, 12 U.S.C. § 2607, and Sections 1054 and 1055 of the CFPB, 12 U.S.C. §§ 5564 and 5565.
3. The Bureau and United Guaranty stipulate and agree to entry of this Order, without trial or final adjudication of any issue of fact or law, to settle and resolve all matters in dispute arising from the conduct of the Defendant alleged in the Complaint to the date of entry of this Order. This settlement does not settle or resolve any matters not alleged in the Complaint. United Guaranty has consented to entry of this Order without admitting or denying any of the allegations set forth in the Complaint.
4. The parties intend that this Order a) not be an adjudication of any fact or legal conclusion, and b) not have any preclusive effect in any other action or proceeding. By agreeing

to the entry of this Order, United Guaranty is not making any evidentiary admissions of liability for the specific practices alleged in the Complaint.

5. The relief provided in this Order is appropriate and available pursuant to Sections 1054 and 1055 of the CFPA, 12 U.S.C. §§ 5564 and 5565, and Sections 8 and 16 of RESPA, 12 U.S.C. §§ 2607 and 2614.

6. Entry of this Order is in the public interest.

DEFINITIONS

For the purpose of this Order:

A. “Captive Mortgage Reinsurance Arrangement” shall refer to any contract, agreement, or other business arrangement to which United Guaranty is or was a party, pursuant to which a Lender or Lender affiliate reinsures any portion of mortgage insurance provided by United Guaranty on any federally related mortgage loan, as defined by RESPA and its implementing regulations, in exchange for a percentage of premiums paid for that mortgage insurance coverage, and any actions necessitated by, attendant or ancillary to the execution of such an agreement and its provisions, including but not limited to (1) the referral of borrowers to United Guaranty in connection with loans originated by Lenders, (2) the creation or operation of one or more Lender affiliates to provide reinsurance services to United Guaranty or other mortgage insurance providers, (3) the receipt by or through such Lender affiliate or affiliates of some portion of the premiums paid by borrowers to United Guaranty or other forms of payment in connection with such loans, and (4) any other services provided pursuant to such an agreement.

B. The “Company” or “United Guaranty” means United Guaranty Corporation and its successors and assigns, by whatever names they might be known.

C. “Captive Trust” means any trust used in connection with a Captive Mortgage Reinsurance Arrangement to which United Guaranty is a party, including any accounts, funds, or property held in the name of such trust.

D. “Lender(s)” means any and all entities that offer or provide residential mortgage loans.

E. “Captive Reinsurer” means any Lender or affiliate thereof that reinsures mortgage insurance pursuant to a Captive Mortgage Reinsurance Arrangement.

ORDER

I. PROHIBITED CONDUCT

IT IS THEREFORE ORDERED THAT that United Guaranty, its affiliates, officers, agents, representatives, and employees, and all other persons or entities in active concert or participation with it who receive actual notice of this Order by personal service or otherwise, directly or through any corporation, subsidiary, division, or other device, are hereby permanently restrained and enjoined from:

A. Except as otherwise expressly provided herein, participating in any Captive Mortgage Reinsurance Arrangement (“Arrangement”) for a period of ten years from the date of entry of this Order, by:

1. Entering into any such new Arrangement;
2. Revising, or agreeing to revise, including by failing to object upon being given notice, any existing Arrangement without the prior written consent of the Bureau,

except that such consent shall not be necessary in the case of purely ministerial or clerical changes, provided that the Bureau is given a copy of all documents reflecting any such changes no fewer than thirty (30) days before they take effect; or

3. Obtaining reinsurance from a Captive Reinsurer on any new mortgage transactions after the date of entry of this Order.

Nothing in this Order shall be construed, however, as preventing the ceding of premiums on policies originated as of, and subject to Arrangements already in existence as of, the date of entry of this Order.

B. Giving any thing of value to any person pursuant to an agreement that mortgage insurance business shall be referred by such person to United Guaranty, in violation of Section 8 of RESPA, 12 U.S.C. § 2607, and its implementing regulations.

C. Failing to comply with any provision of RESPA, 12 U.S.C. § 2601 *et seq.*, and its implementing regulations.

IT IS FURTHER ORDERED THAT United Guaranty, its affiliates, officers, agents, servants, representatives, and employees, and all persons in active concert or participation with it who receive actual notice of this Order by personal service or otherwise, will:

D. Relinquish to the CFPB any and all rights possessed by United Guaranty to receive, claim, or utilize any funds held in any Captive Trust pursuant to any existing Captive Mortgage Reinsurance Arrangement, except for the purpose of reimbursing United Guaranty for reinsurance claims that have accrued or will accrue under the terms of any Captive Mortgage Reinsurance Arrangement; for the purpose of obtaining reinsurance credit against loss reserves;

or for the purpose of paying United Guaranty ceding commissions due under any such Arrangement in force as of the date of entry of this Order.

IT IS FURTHER ORDERED THAT United Guaranty, its officers, agents, servants, and employees, hereby waive any and all claims or defenses of United Guaranty to resist enforcement of or monitoring for compliance with this Order on the ground that the CFPB lacks authority to undertake such enforcement or monitoring.

II. CIVIL MONEY PENALTY

IT IS FURTHER ORDERED that by reason of the alleged violations of law or regulations as set forth in the Complaint, and after taking into account the appropriateness of the penalty with respect to the financial resources and good faith of United Guaranty, the gravity of the conduct by United Guaranty, the severity of the risks to and losses of consumers, the history of previous conduct by United Guaranty, and such other matters as justice may require, pursuant to section 1055(c) of the CFPB, 12 U.S.C. § 5565(c): United Guaranty shall pay a total civil money penalty of \$4,500,000 to the CFPB within thirty (30) days after the date of entry of this Order, in accordance with section 1017(d) of the CFPB, 12 U.S.C. § 5497(d), as directed by the CFPB. United Guaranty shall pay such civil money penalty itself, and is prohibited from seeking or accepting indemnification from such payment from any third party.

III. NOTIFICATION AND REPORTING REQUIREMENTS

A. CIVIL INVESTIGATIVE DEMANDS

IT IS FURTHER ORDERED that, in connection with any Civil Investigative Demand (“CID”) or subpoena issued in any investigation, enforcement action, or civil action of the Bureau related to or associated with the transactions or the occurrences that are the subject of the Complaint, United Guaranty shall respond on an expedited basis to any such CID or subpoena.

B. DATA

IT IS FURTHER ORDERED that, to facilitate consumer redress, United Guaranty shall provide the Bureau or its designated agent, within thirty (30) calendar days after receiving a written request by the Bureau or its designated agent, with all information reasonably required to administer payment of any funds pursuant to Section 1017(d) of the CFPA. United Guaranty shall provide a complete electronically stored data set in a compatible format (as reasonably determined by the Bureau or its agent).

C. COMPLIANCE MONITORING

IT IS FURTHER ORDERED that, for the purposes of monitoring compliance with this Order:

1. Within thirty (30) days of receipt of written notice from the CFPB, United Guaranty shall submit written reports, sworn to under penalty of perjury; produce documents for inspection and copying in the form and format by which they are maintained by United Guaranty; and make available a designated representative of United Guaranty to appear for deposition.
2. In addition, the CFPB is authorized to use any or all lawful means to monitor compliance with this Order, including, but not limited to, obtaining documents,

information, answers to questions, or sworn testimony from any person without further leave of the Court, and using any of the procedures available to the CFPB pursuant to the provisions of Section 1052 of the CFPA.

3. United Guaranty shall permit the CFPB to interview any employer, consultant, independent contractor, representative, agent, or employee who has agreed to such an interview, relating in any way to any conduct subject to this Order. The interview shall occur at a mutually agreeable time and place and the person interviewed may have counsel present upon their request.

D. COMPLIANCE REPORTING

IT IS FURTHER ORDERED that for the purpose of assessing United Guaranty's compliance with this Order:

1. For a period of four (4) years from the date of entry of this Order, United Guaranty shall notify the CFPB of any changes in corporate structure that may affect compliance obligations arising under this Order, including but not limited to a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor entity; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order, expressly to include, without limitation, the sale of private mortgage insurance; the filing of a bankruptcy petition; or a change in the corporate name or address, at least thirty (30) days prior to such change, *provided that*, with respect to any proposed change in the corporation about which United Guaranty learns less than thirty (30) days prior to the date such action is to take place, United Guaranty shall notify the CFPB as soon as it is practicable after obtaining such knowledge.

2. One-hundred eighty (180) days after the date of entry of this Order and annually on this date until such time as each and every one of the Captive Trusts are terminated, ended, or otherwise closed, United Guaranty shall provide a written report to the CFPB, sworn to under penalty of perjury, setting forth in detail the manner and form in which it has complied and is complying with this Order since entry of this Order, or during the most recent annual period, as appropriate. This report shall include, but not be limited to:
 - a) The balance of all funds held in any Captive Trust;
 - b) The amount of all payments, funds, or other disbursements received by United Guaranty during the preceding year (or, in the case of the first such report, six months) pursuant to any existing Captive Mortgage Reinsurance Arrangement for the purpose of reimbursement for reinsurance claims;
 - c) The amount of all payments, funds, or other disbursements that United Guaranty projects or anticipates it may claim within the subsequent year pursuant to any existing Captive Mortgage Reinsurance Arrangement for the purpose of reimbursement for reinsurance claims;
 - d) Confirmation that United Guaranty has exercised for the benefit of the CFPB any and all rights, if any, previously possessed by it under any Captive Mortgage Reinsurance Arrangement to obtain any other funds held within any Captive Trust, other than funds held within a Captive Trust for any purpose permitted in Section I.D above, notified all parties to the Captive Mortgage Reinsurance Arrangement that it has relinquished any continuing rights over

such funds to the CFPB, and the amount of any such funds obtained and delivered to the CFPB;

- e) The amount of all payments, funds, or other disbursement paid or ceded by United Guaranty pursuant to any existing Captive Mortgage Reinsurance Arrangement;
- f) The amount of all payments, funds, or other disbursements that United Guaranty projects or anticipates it may pay or cede within the subsequent year pursuant to any existing Captive Mortgage Reinsurance Arrangement;
- g) Any changes required to be reported under subparagraph 1 of this Section; and
- h) A copy of each acknowledgement of receipt of this Order, obtained pursuant to Section V of this Order.

3. For a period of ten (10) years from the date of entry of this Order, beginning one year from the date of entry of this Order, and each year thereafter, United Guaranty shall certify in writing to the CFPB that, since the date of entry of this Order, United Guaranty has complied with subsection A of Section I of this Order.

4. For the purposes of this Order, United Guaranty shall, unless otherwise directed by the CFPB's authorized representatives, mail all written notification to the CFPB via Federal Express, to:

Consumer Financial Protection Bureau
ATTENTION: Enforcement Director
1700 G Street NW
Washington, D.C. 20552

RE: *CFPB v. United Guaranty*, File No. 2011-0024-02

IV. RECORD-KEEPING PROVISION

IT IS FURTHER ORDERED that, for a period of six (6) years from the date of entry of this Order, United Guaranty and its successors and assigns shall retain all records and documents necessary to demonstrate full compliance with this Order, including but not limited to:

A. All contracts reflecting reinsurance policies or arrangements sought or obtained by United Guaranty following the date of this Order, or otherwise in force as of the date of this Order.

B. All copies of acknowledgements of receipt of this Order required by Section V, and all reports submitted to the CFPB pursuant to Section III.

C. All customer files, including any records of customer complaints, on accounts including Captive Mortgage Reinsurance Arrangements.

D. All records of any reinsurance claims pursued by the Company under a Captive Mortgage Reinsurance Arrangement, the disposition of those claims, and a complete accounting of all funds received by United Guaranty in connection with those claims.

V. DISTRIBUTION OF ORDER

IT IS FURTHER ORDERED that, during the ten (10) years after entry of this Order, United Guaranty shall deliver a copy of this Order to all principals, officers, and directors. United Guaranty must also deliver copies of this Order to all of its employees, agents, and representatives who had responsibilities or business duties relating to Captive Mortgage Reinsurance Arrangements. United Guaranty must also deliver copies of this Order to all of its employees, agents, or representatives who are engaged in or otherwise responsible for

compliance with this Order. United Guaranty shall deliver this Order to current personnel within thirty (30) days after the date of service of this Order, and to new personnel or personnel whose responsibilities have changed to include duties covered by this Order, within thirty (30) days after the person assumes such position or responsibilities. United Guaranty must secure a signed and dated statement acknowledging receipt of this Order within thirty (30) days of delivery from all persons receiving a copy of this Order under this Section.

VI. ACKNOWLEDGMENT OF RECEIPT OF ORDER

IT IS FURTHER ORDERED that United Guaranty, within thirty (30) days of receipt of this Order as entered by the Court, must submit to the CFPB a duly sworn statement acknowledging receipt of this Order.

VII. RELEASE

The CFPB releases and discharges United Guaranty, and its affiliates, directors, officers, agents, servants and employees from all potential liability that has been or might have been asserted by the CFPB based on the captive mortgage reinsurance practices described in the Complaint, to the extent such practices occurred prior to the entry of this Order. Notwithstanding the foregoing, the practices alleged in the Complaint may be utilized by the CFPB in future enforcement actions against United Guaranty and its affiliates, including, without limitation, to establish a pattern or practice of violations or the continuation of a pattern or practice of violations, or to calculate the amount of any penalty. This release shall not preclude or affect any right of the CFPB to determine and ensure compliance with the terms and provisions of this Order, or to seek penalties for any violations thereof.

VIII. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.

IX. FINAL JUDGMENT AND ORDER

The parties hereby consent to the terms and conditions of this Order as set forth above and consent to the entry thereof.

IT IS DONE AND ORDERED this 5th day of April, 2013 in Chambers in

Miami, Florida.


UNITED STATES DISTRICT JUDGE

Conformed Copies to:

All Parties

THE UNDERSIGNED HEREBY CONSENT TO ENTRY OF THIS ORDER

On behalf of Plaintiff Consumer Financial Protection Bureau

Kent Markus
Enforcement Director



Donald R. Gordon (Special Florida Bar Number #A5501854)

Kimberly J. Ravener

Navid Vazire

Crystal Sumner

Attorneys for Plaintiff

Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20552
(202)435-7357

DATED April 4, 2013.

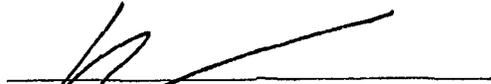
THE UNDERSIGNED HEREBY CONSENT TO ENTRY OF THIS ORDER

On behalf of Defendant United Guaranty



Brian M. Gould
Chief Operating Officer
United Guaranty Corporation

DATED 3/21, 2013.



William A. Burek
Attorney for Defendant United Guaranty Corporation

DATED 3/19, 2013.

EXHIBIT X



August 6, 1997

OFFICE OF THE ASSISTANT SECRETARY
FOR HOUSING-FEDERAL HOUSING COMMISSIONER

Mr. Sandor Samuels
General Counsel
Countrywide Funding Corporation
155 N. Lake Avenue
Pasadena, California 91109

Dear Mr. Samuels:

Last year the Department of Housing and Urban Development (the Department) sought from you information on the captive reinsurance program of Amerin Guaranty Corporation (Amerin) with Countrywide Home Loans (Countrywide) and its affiliated reinsurer, Charter Reinsurance (Charter). You then requested that the Department clarify the applicability of Section 8 of the Real Estate Settlement Procedures Act (RESPA) to captive reinsurance programs. For the reasons set forth below, we have concluded that, so long as payments for reinsurance under captive reinsurance arrangements are solely "payment for goods or facilities actually furnished or for services actually performed," these arrangements are permissible under RESPA. See paragraph 8(c)(2) of RESPA, 12 U.S.C. § 2607(c)(2). The following details the facts concerning captive reinsurance programs as we understand them, relevant law, and how the Department will scrutinize these arrangements to determine whether any specific captive reinsurance program is permissible under RESPA.

I. BACKGROUND

A typical captive reinsurance arrangement involves a mortgage lender acting in concert with a fully licensed reinsurance affiliate of the mortgage lender and an unaffiliated primary mortgage insurer. The sole purpose of the reinsurance affiliate is to reinsure loans which the affiliated mortgage lender originates and which the unaffiliated, primary mortgage insurance company insures. The primary mortgage insurer and the reinsurer enter into a contract under which the primary insurer agrees to pay the reinsurer an agreed upon portion of the mortgage insurance premiums for loans originated by the lender and insured by the primary insurer. The lender, therefore, has a financial interest in having the primary insurer in the captive reinsurance program selected to provide the mortgage insurance.

Premiums paid for the reinsurance may be net of an agreed upon "ceding commission," which represents the reinsurer's share of the costs of administering the book of insured business.

Under the contract between the primary insurer and the reinsurer, the reinsurer posts capital and reserves satisfying the laws of the state in which it is chartered and may also establish an additional security fund to ensure that, when a claim against the reinsurer is made, funds will exist to satisfy the claim. In exchange for a portion of mortgage insurance premiums (minus a ceding commission, if applicable) to be paid by the primary insurer, the reinsurer obligates itself to reimburse the primary insurer for an agreed portion of claims that may require payment under the contract. Under different reinsurance arrangements, the reinsurance obligations generally take one of two forms. The first is an "excess loss" arrangement, under which the primary insurer pays, and is solely responsible for, claims arising out of a given book of business up to a predetermined amount, after which the reinsurer is obligated to reimburse the primary insurer's claims up to another predetermined amount. Thereafter, the primary insurer is solely responsible for claims in excess of the reinsurer's tier of losses on a given book. A second type of contract is the "quota share" contract, under which the reinsurer would bear a portion of all insured losses.

Under captive arrangements of which the Department is aware, some degree of disclosure is provided to the consumer about the arrangement and some opportunity is accorded to the consumer to choose whether or not to have the loan insured through a captive reinsurance program.

II. LEGAL ANALYSIS

Subsection 8(a) of RESPA provides that "[n]o person shall give and no person shall accept any fee, kickback, or thing of value pursuant to any agreement or understanding, oral or otherwise, that business incident to or a part of a real estate settlement service involving a federally related mortgage loan shall be referred to any person." 12 U.S.C. § 2607(a). "Thing of value" is further described in the Department's regulations as including "without limitation, monies, things, discounts, salaries, commissions, fees, duplicate payments of a charge, stock, dividends, distributions of partnership profits, franchise royalties, credits representing monies that may be paid at a

future date, the opportunity to participate in a money-making program...." 24 C.F.R. § 3500.14(d). In addition, subsection 8(b) prohibits the giving or receipt of any portion, split or percentage of any charge made or received for the rendering of a real estate settlement service "other than for services actually performed." 12 U.S.C. § 2607(b). These prohibitions against paying for referrals and against splitting fees are very broad and cover a variety of activities.

Subsection 8(c) of RESPA sets forth various exemptions from these prohibitions. It provides, in relevant part, that nothing in section 8 shall be construed as prohibiting "(2) the payment to any person of a bona fide salary or compensation or other payment for goods or facilities actually furnished or for services actually performed." 12 U.S.C. § 2607(c)(2).

The Department's view of captive reinsurance is that the arrangements are permissible under RESPA if the payments to the reinsurer: (1) are for reinsurance services "actually furnished or for services performed" and (2) are bona fide compensation that does not exceed the value of such services.

The rationale behind this two-step analysis is that in instances in which a lender selects the mortgage insurer, including under a captive reinsurance arrangement, the lender's actions would constitute a referral of loans to a mortgage insurer, by influencing the borrower's selection of his or her mortgage insurer. See 24 C.F.R. § 3500.14(f) (definition of "referral"). If the lender or its reinsurance affiliate is merely given a thing of value by the primary insurer in return for this referral, in monies or the opportunity to participate in a money-making program, then section 8 would be violated; the payment would be regarded as payment for the referral of business or a split of fees for settlement services. If, however, the lender's reinsurance affiliate actually performs reinsurance services and compensation from the primary insurer is bona fide and does not exceed the value of the reinsurance, then such payments would be permissible under subsection 8(c). Conversely, any captive reinsurance arrangement in which reinsurance services are not actually performed or in which the payments to the reinsurer are not bona fide and exceed the value of the reinsurance would violate section 8 as an impermissible referral fee.

A. Analysis of Specific Captive Reinsurance Arrangements

The Department will analyze captive reinsurance arrangements to determine if the arrangements comply with RESPA. Factors which may cause the Department to give particular scrutiny to an arrangement and cause it to apply the test set forth in Part II(B) of this analysis include, but are not limited to, the following:

1. The amount charged directly or indirectly to the consumer for mortgage insurance in a captive program is greater than the amount charged to the consumer for mortgage insurance not involving reinsurance for a similar risk.
2. The costs (premiums minus a ceding commission, if applicable) paid to the captive reinsurer are greater than the cost for comparable non-captive reinsurance available in the market.
3. The lender restricts its mortgage insurance business in whole or to a large extent to a primary mortgage insurer that has a reinsurance agreement with the lender's captive reinsurer.
4. Any major secondary market institution refuses to purchase mortgages insured under a particular captive reinsurance agreement or places special conditions on such purchases.
5. Any credit rating agency reduces the rating of the primary mortgage insurer in whole or in part because of agreements with captive reinsurers.
6. Any State regulatory body questions the adequacy of the reserves maintained by the primary mortgage insurer or the captive reinsurer.
7. The primary insurer's agreement to reinsure is conditioned on the affiliated lender's agreement to refer all of or a predetermined volume of its mortgage insurance business to the primary insurer, or the terms of the agreement (such as the percentage of the premium per loan reinsured that is paid to the reinsurer by the primary insurer) fluctuate depending on the volume of the primary insurance business referred by the lender to the primary insurer. The presence of either of these conditions makes it more likely that at least a portion of the compensation paid to the reinsurer is for the referral of mortgage insurance business.

8. Adequate consumer disclosure is not provided. The Department believes that consumers would be well served by a meaningful disclosure¹ and a meaningful choice² for consumers about having their loans included in a captive reinsurance program. A demonstrated willingness to provide such a disclosure may indicate that the arrangement is designed to provide real reinsurance.

The Department does not consider any of these eight factors to be determinative of whether an arrangement merits scrutiny by the Department, nor does it regard the absence of any of these factors to be determinative that further scrutiny is not merited. In addition, as noted in Part II(B), the Department may consider these eight factors in applying the test in Part II(B), to the extent applicable.

B. Test for Whether a Captive Reinsurance Arrangement Violates RESPA

Where the Department scrutinizes a captive reinsurance arrangement, it will apply a two-part test for determining whether the arrangement violates RESPA. The Department will first determine whether the reinsurance arrangement meets three requirements that establish that reinsurance is actually being provided in return for the compensation. If one or more of the requirements is not met, the inquiry will end, and the arrangement will be regarded as an impermissible captive reinsurance arrangement under RESPA. If all of the requirements are met, the Department will determine whether the compensation exceeds the value of the reinsurance. To facilitate its analysis, the Department may use information obtained from the lender, the primary insurer, the captive reinsurer, or other sources, including data on the rate, magnitude, and timing of default losses and mortgage insurance payments and any other

¹ A meaningful disclosure would reveal that the captive reinsurance arrangement exists, that the lender stands to gain financially under the arrangement, and that the consumer may choose not to have his or her insurance provided by an insurer in such an arrangement.

² A meaningful choice whether to participate would provide the consumer an easy, non-burdensome opportunity to opt out by, for example, indicating a preference one way or the other on a form.

information necessary to undertake the analysis and may exercise its subpoena authority pursuant to 24 C.F.R. part 3800 to obtain such information.

1. Determining that Reinsurance is Actually Being Provided in Return for the Compensation

To determine that a real service--reinsurance--is performed by the reinsurer for which it may legally be compensated, the following requirements must be satisfied:

a. There must be a legally binding contract for reinsurance with terms and conditions conforming to industry standards.

b. The reinsurer must post capital and reserves satisfying the laws of the state in which it is chartered and the reinsurance contract between the primary insurer and the reinsurer must provide for the establishment of adequate reserves to ensure that, when a claim against the reinsurer is made, funds will exist to satisfy the claim. Unless the reinsurer is adequately capitalized and adequate reserves (which may include letters of credit or guarantee arrangements) and funds are available to pay claims, real services are not being provided.

c. There must be a real transfer of risk. The reinsurance transaction cannot be a sham under which premium payments (minus a ceding commission, if applicable) are given to the reinsurer even though there is no reasonable expectation that the reinsurer will ever have to pay claims. This requirement for a real transfer of risk would clearly be satisfied by a quota share arrangement, under which the reinsurer is bound to participate pro rata in every claim. The requirement could also be met by excess loss arrangements, if the band of the reinsurer's potential exposure is such that a reasonable business justification would motivate a decision to reinsure that band. Unless there is a real transfer of risk, no real reinsurance services are actually being provided. In either case, the premiums paid (minus a ceding commission, if applicable) must be commensurate to the risk, as discussed in Part II(B)(2).

In evaluating these requirements, the Department may also consider the factors in Part II(A), to the extent relevant. If any of the requirements in this Part II(B)(1) is not met, the arrangement will be regarded as an impermissible reinsurance arrangement under RESPA. If any of the requirements is not met, the "service" being compensated would appear to be the lender's referral of business to the mortgage insurer, which RESPA prohibits.

2. Determining that the Compensation Paid for Reinsurance Does Not Exceed the Value of the Reinsurance

If the requirements in Part II(B)(1) for determining that reinsurance is actually being provided in return for the compensation are met, the Department will then determine whether the compensation paid for reinsurance does not exceed the value of the reinsurance. The Department will evaluate whether the compensation is commensurate with the risk and, where warranted, administrative costs. The Department's evaluation of this requirement may:

-- Compare, using relevant mathematical models, the risk borne by the captive reinsurer with the payments provided by the primary insurer.

-- Analyze the likelihood of losses occurring, the magnitude and volatility of possible losses, the amount of payments received, the timing of the payments and potential losses, current market discount rates, and other relevant factors.

-- Take into account the relative risk exposure of the primary lender and the captive reinsurer.

-- Consider the extent to which the lender or the firm controlling the captive reinsurer is shielded from potential losses by inadequate reserves and a corporate structure that segregates risks.

-- Examine other financial transactions between the lender, primary insurer, and captive reinsurer to determine whether they are related to the reinsurance agreement.

-- Examine whether the ceding commission is commensurate with the administrative costs assumed by the primary insurer.

In making this evaluation, the Department may also consider the factors in Part II(A), to the extent relevant. If the Department concludes that the compensation paid for the reinsurance exceeds the value of the reinsurance pursuant to the analysis in this Part II(B)(2), the arrangement will be regarded as an impermissible reinsurance arrangement under RESPA and the payments exceeding the value of the reinsurance will be considered a referral fee or unearned fee.

III. CONCLUSION

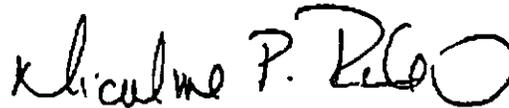
In setting forth this analysis, the Department notes the trend in the mortgage market toward increased diversification of risk. The Department welcomes such trends to the extent that

such arrangements increase the availability of mortgage credit. Where RESPA would not preclude such arrangements, the Department would generally support them.

The Department believes the system of mortgage insurance and reinsurance is not necessarily comparable to other types of settlement services. Thus, the Department could analyze other settlement service programs differently, depending on the facts of the particular program.

I trust that this guidance will assist you to conduct your business in accordance with RESPA.

Sincerely,

A handwritten signature in black ink, appearing to read "Nicolas P. Retsinas". The signature is fluid and cursive, with a large, stylized "O" at the end.

Nicolas P. Retsinas
Assistant Secretary for
Housing-Federal Housing
Commissioner

cc: Mr. Randolph C. Sailer II
Senior Vice President and General Counsel
Amerin Guaranty Corporation
200 East Randolph Drive, 49th Floor
Chicago, IL 60601-7125

EXHIBIT Y



For Opinion See [2013 WL 5816730](#) , [2013 WL 3935054](#) , [2013 WL 2146925](#) , [2013 WL 1278509](#) , [2013 WL 684388](#) , [659 F.Supp.2d 1094](#)

United States District Court, E.D. California.

Dept.: 2

Fresno Division

Efrain MUNOZ, et al., individually and on behalf of all others similarly situated, Plaintiffs,

v.

PHH CORPORATION, et al., Defendants.

No. 108CV00759.

January 26, 2009.

Date: February 2, 2009 Time: 1:30 p m.

Defendants' Reply in Further Support of Their Motion for Judgment On the Pleadings

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Judge: Hon. [Anthony W. Ishii](#).

INTRODUCTION

Plaintiffs' Opposition misses the mark. While plaintiffs attempt to recharacterize the subject of their Complaint as “private mortgage insurance,” the fact remains that the allegations focus squarely on the reinsurance process that occurs on behalf of pools of loans, pursuant to contracts between the primary insurers and the reinsurers, and without borrower involvement. As such, mortgage reinsurance is not a “settlement service” covered by RESPA, and plaintiffs' claim fails as a matter of law.

As to defendants' lack of standing argument, plaintiffs acknowledge that the filed rate doctrine precludes them from relying on an “overcharge” allegation to confer standing. While plaintiffs attempt to argue that the filed rate doctrine does not bar a claim seeking relief under a consumer protection statute such as RESPA, in fact, because plaintiffs are challenging a structure and process that fall within the primary jurisdiction of the California and Pennsylvania De-

partments of Insurance, they lack standing to pursue their claim under the guise of RESPA. Indeed, plaintiffs' Complaint is a baseless attempt to intrude on the authority of the California Insurance Commissioner, as well as on the insurance commissioners of other states. While plaintiffs repeatedly refer to private mortgage reinsurance as a "scheme," nowhere in their lengthy memorandum do they even mention the fact that the California legislature has specifically authorized the practice of private mortgage reinsurance; thus, this attempt by plaintiffs to litigate the legitimacy of such reinsurance directly infringes on the authority of the California Insurance Commissioner.

Plaintiffs' alternative argument that, even in the absence of any overcharge, they are entitled to a "kickback-free" settlement, is not supported by the plain language of RESPA or the most recent case law on the subject. Once again, the fundamental premise of plaintiffs' argument is that private mortgage reinsurance is a sham based on their assertion that no risk has been assumed by the reinsurer, Atrium. But this is an argument plaintiffs are not entitled to make since the California legislature has specifically authorized the use of reinsurance in connection with private mortgage insurance, and it is now up to the California Insurance Commissioner, not the courts, to determine the validity of the reinsurance arrangements at issue here. Therefore, the Court should conclude that plaintiffs lack standing to pursue their RESPA claim.

ARGUMENT

I. THIS CASE IS UNDENIABLY ABOUT REINSURANCE

As explained in defendants' opening brief, plaintiffs' RESPA claim fails for the fundamental reason that the reinsurance process plaintiffs complain about is not a "settlement service" under REPSA. The mortgage reinsurance process is a transaction separate and apart from the borrower's loan closing. As plaintiffs described it, mortgage reinsurance is acquired pursuant to contracts between the primary insurers and the reinsurers, on behalf of pools of loans. Compl. ¶¶ 39, 61. The application of RESPA Section 8 is limited, however, to services performed, and costs payable, at or before the closing of an individual borrower's loan. 12 U.S.C. § 2617; *Bloom v. Martin*, 77 F.3d 318, 321 (9th Cir. 1996).

In their Opposition, plaintiffs attempt to rewrite their Complaint and assert that this case "addresses not reinsurance but rather, private mortgage insurance 'provided in connection with a real estate settlement.'" Opp. at 1. Plaintiffs' claim is belied, however, by their Complaint allegations which are directed solely at the reinsurance process whereby "the primary insurer pays Atrium a percentage of the premiums paid by borrowers on a particular pool of loans; in return, Atrium agrees to assume a portion of the insurer's risk with respect to the loans involved." Compl. 61. See also Id. ¶¶ 39-69 (discussing mortgage reinsurance industry, HUD's commentary on captive reinsurance arrangements, and PHH's captive reinsurance arrangements).^[FN1]

FN1. Had plaintiffs intended to complain about their private mortgage insurance, it is axiomatic that they would have named the private mortgage insurance companies, i.e., the so-called "givers" of the alleged kickbacks or unearned fees, as parties to this action. The fact that those entities are not named as parties is further indication that the focus of this suit is squarely on the reinsurance process.

While plaintiffs cite to cases finding that private mortgage insurance is a settlement service under RESPA, see Opp. at 7-8, those cases are inapposite to the issue here. Defendants are not claiming that private mortgage insurance is not a

settlement service under RESPA; rather, it is the mortgage reinsurance transaction, which occurs with respect to pools of loans, pursuant to contracts between the primary insurers and the reinsurers, and without borrower involvement, that is not a settlement service and, therefore, not covered by RESPA. Plaintiffs attempt to sidestep this fact by claiming that defendants' "focus on the timing and nature of the reinsurance is inappropriate and irrelevant." Opp. at 8. Contrary to plaintiffs' assertion, the "timing and nature" of reinsurance" is certainly relevant to the inquiry of whether it constitutes a settlement service under RESPA. Indeed, under plaintiffs' theory that timing is of no consequence, any future provision of services in connection with a loan could be actionable under Section 8 of RESPA. This is not what Congress intended, as is clear from RESPA's definition of "settlement services" which is limited to services provided "in connection with a real estate settlement." 12 U.S.C. § 2602. Moreover, the nature of the mortgage reinsurance process is important because, like secondary market transactions involving the purchase and sale of mortgage loans, it is conducted separate and apart from the closing, involves pools of loans, and is accomplished through contracts between the parties. As such, the reinsurance process falls outside the scope of RESPA.

Therefore, the Court should find that defendants are entitled to judgment on the pleadings because reinsurance is not a "settlement service" covered by RESPA.

II. PLAINTIFFS CANNOT AVOID THE FILED RATE DOCTRINE AND THE SPECIFIC STATUTORY AUTHORITY PERMITTING REINSURANCE ARRANGEMENTS

As pointed out in defendants' opening brief, plaintiffs lack standing to pursue their RESPA claim for two independent reasons. First, the filed rate doctrine precludes plaintiffs from relying on an "overcharge" allegation to confer standing. Second, the purpose and plain language of RESPA defeat plaintiffs' assertion that they have standing in the absence of an overcharge.

In their Opposition, plaintiffs tacitly concede that the filed rate doctrine defeats any claim of an alleged overcharge. Opp. at 9 ("Plaintiffs do not dispute that filed rates are per se reasonable under the filed rate doctrine and thus, no action may be brought directly challenging their fairness. Nor do Plaintiffs contest Defendants' assertion that mortgage insurance rates are filed in Pennsylvania and California."). As explained in a recent decision by a Pennsylvania district court examining a factually identical case: "Plaintiffs paid the only legal rate they could have paid for mortgage insurance in Pennsylvania. Regardless of how Defendants may have distributed the mortgage insurance premiums Plaintiffs paid, the mortgage insurance rates that Plaintiffs paid are per se reasonable in Pennsylvania." *Alston v. Countrywide Fin. Corp.*, No. 07-3508, 2008 WL 4444243, at *4 (E.D. Pa. Sept. 29, 2008).^[FN2]

FN2. Unpublished cases are arranged in alphabetical order and attached hereto as Exhibit A.

Accordingly, to the extent plaintiffs' RESPA claim is premised on the allegation that they were overcharged for mortgage insurance, the Court should conclude that plaintiffs lack standing to bring such a claim. *Id.* ("To the extent that Plaintiffs claim they have paid an artificially inflated mortgage insurance rate, Plaintiffs have no standing to bring such a claim.").

Plaintiffs contrive to escape application of the filed rate doctrine by claiming that it does not bar a suit "seeking redress under consumer protection statutes such as RESPA...." Opp. at 10. Plaintiffs rely on two cases, *Kay v. Wells Fargo* and

Alexander v. Washington Mutual, which both concluded that the filed rate doctrine does not bar a plaintiff from pursuing a RESPA claim alleging illegal kickbacks from a primary mortgage insurer to a reinsurer. Defendants respectfully submit that the Kay and Alexander courts' conclusion that this type of action is maintainable under RESPA is fundamentally flawed.

As set forth in defendants' opening brief, private mortgage insurance rates must be filed with and approved by the state Insurance Commissioners, who are authorized to disapprove any rate that is excessive or inadequate. 40 Pa. Stat. Ann. §§ 710-5(a); 710-7; Cal. Code Regs. Tit. 10, §§ 2641.3; 2642.7(c) & (d)(I). Thus, as plaintiffs now acknowledge, they cannot challenge the rates they paid for private mortgage insurance. Instead, what plaintiffs are complaining about is the process and structure by which the primary mortgage insurers ceded a portion of plaintiffs' premiums to Atrium for the purchase of reinsurance. According to plaintiffs, Atrium assumed little or no risk in exchange for the premiums ceded to it, and this constitutes an improper "kickback" or "fee split" in violation of RESPA.

The problem with plaintiffs' attempt to pursue their claim under RESPA, and the reasoning of *Kay* and *Alexander*, is that reinsurance falls within the jurisdiction of the California and Pennsylvania Insurance Commissioners. Under California law, a private mortgage insurer or "mortgage guarantee insurer" is authorized to reinsure with one of two types of reinsurers, as defined by statute, to write "[i]nsurance against financial loss by reason of nonpayment of principal, interest, and other sums agreed to be paid under the terms of any note or bond or other evidence of indebtedness secured by a mortgage, deed of trust, or other instrument constituting a junior lien or charge on real estate...." Cal. Code Ins. § 12640.02; *see also Id.* §§ 12640.095; 12640.09.^[FN3] California has established specific requirements for reinsurers, including capital and reserves requirements. *Id.* § 12640.09. Pennsylvania also has a comprehensive regulatory scheme for reinsurers conducting business in the Commonwealth. 40 Pa. Stat. Ann. § 442 ("Reinsurance regulated").^[FN4] The regulation of insurance is the business of the states, not the federal government. McCarran-Ferguson Act, 15 U.S.C. § 1011, Declaration of Policy ("Congress hereby declares that the continued regulation and taxation by the several States of the business of insurance is in the public interest, and that silence on the part of the Congress shall not be construed to impose any barrier to the regulation or taxation of such business by the several States."). Indeed, Congress has declared that "[n]o Act of Congress shall be construed to invalidate, impair, or supersede any law enacted by any State for the purpose of regulating the business of insurance, or which imposes a fee or tax upon such business, unless such Act specifically relates to the business of insurance." 15 U.S.C. § 1012. Given this statutory structure, RESPA cannot be used to regulate the business of reinsurance provided in connection with private mortgage insurance.^[FN5]

FN3. The applicable sections of the California and Pennsylvania Codes are attached hereto as Exhibits B and C, respectively.

FN4. Further, the Court may take judicial notice of the fact that Atrium is a New York corporation that is subject to audit and examination by the New York Department of Insurance. *See Bradberry v. T-Mobile USA, Inc.*, No. C-06-6567, 2007 WL 1241936, at *3 (N.D. Cal. Apr. 27, 2007) ("Under Rule 201 of the Federal Rules of Evidence, a court may take judicial notice of facts that are not subject to reasonable dispute because they are either generally known or capable of accurate and ready determination.").

FN5. The facts of this case are distinguishable from the case of *Patton v. Triad Guaranty Ins. Corp.*, 277 F.3d

1294 (11th Cir. 2002), wherein the Eleventh Circuit concluded that because RESPA “specifically relates” to mortgage insurance, the action was not barred by the McCarran-Ferguson Act “which only protects against inadvertent federal regulation of insurance.” 277 F.3d at 1300 (emphasis in original). Here, by contrast, because reinsurance is not a “settlement service” under RESPA, allowing plaintiffs to pursue their reinsurance suit as a RESPA claim would constitute “inadvertent federal regulation of insurance.” Id.

Thus, because plaintiffs are alleging improprieties with the reinsurance structure and process, their recourse is with the Insurance Commissioners who approved the mortgage insurance rates at issue in this case and have regulatory authority over the process by which reinsurance was obtained for plaintiffs' loans. Stated otherwise, the issue of whether Atrium assumed a sufficient amount of risk for the premiums ceded to it is a question for the Insurance Commissioners to examine pursuant to the actuarial guidelines established by those regulators.^[FN6]

FN6. On the issue of whether Atrium's claims payment history has any bearing on the risk of loss it assumed, and continues to assume today, with respect to plaintiffs' loans, the Kay court was correct in its observation that “it is an indisputable fact in this case that [the reinsurer] was and remains obligated to operate as the reinsurer for each borrower's private mortgage insurance. That [the reinsurer] has yet to be called upon to make any payments in no way means that it does not continue to be liable in the event that any of the requisite contingencies occur. [The reinsurer] continues to provide a service, namely reinsurance. By definition, therefore, [the reinsurer] has provided and will continue to provide a service.” *Kay v. Wells Fargo & Co.*, 247 F.R.D. 572, 576 (N.D. Cal. 2007).

III. PLAINTIFFS' INABILITY TO MAINTAIN AN OVERCHARGE ALLEGATION IS FATAL TO THEIR STANDING UNDER RESPA

As clarified in their Opposition, plaintiffs are not really complaining about the mortgage insurance rate they paid; rather, they are pursuing “a claim for the relief expressly provided to consumers by RESPA to remedy the use of prohibited unfair business practices.” Opp. at 11. It is this theory, plaintiffs assert, that gives them standing to pursue their RESPA claim in the absence of any overcharge. Plaintiffs' alternative theory fails as well.

In contrast to the cases cited by plaintiffs, defendants submit that the cases cited in their opening brief, and the most recently decided Alston case, more correctly analyze the issue. The purpose of RESPA is specific: to protect individuals “from unnecessarily high settlement charges.” 12 U.S.C. § 2601. It is not, as plaintiffs contend, more generally intended “to remedy the use of prohibited unfair business practices.” Opp. at 11. Thus, even assuming for the sake of argument that defendants engaged in a kickback or fee splitting scheme as alleged in the Complaint, the fact that plaintiffs did not incur an inflated settlement charge, precludes them from having standing under RESPA. *Alston*, 2008 WL 4444243, at *5 (“The question for this court is whether a claim of such a violation, not having resulted in an inflated rate paid by Plaintiffs, can be brought by private individuals. The court finds it cannot.”).

“The damages provision of Section 2607(d)(2) is the focal point of the standing analysis.” Id. (quoting *Carter v. Welles-Bowen Realty, Inc.*, 493 F. Supp. 2d 921, 924 (N.D. Ohio 2007)). According to RESPA's damages provision, [a]ny person or persons who violate the prohibitions or limitations of this section shall be jointly and severally liable to the person or persons charged for the settlement service involved in the violation in an amount equal to three times the

amount of any charge paid for such settlement service.

12 U.S.C. § 2607(d)(2).

As explained by the Alston court:

Clearly, the statute entitles persons who paid for any settlement service in violation of RESPA to receive damages equal to three times the amount of any charge paid for settlement services in violation of the statute. However, the purpose of RESPA is to protect individuals “from unnecessarily high settlement charges.” 12 U.S.C. § 2601; *Carter*, 493 F.Supp.2d at 927. Here, where Plaintiffs have not been overcharged because of any illegal kickback or fee splitting, the court does not construe RESPA's damages provision as authorizing Plaintiff's to sue for damages. Cf. *Carter*, 492 F.Supp.2d. at 924-27 (discussing the legislative history of RESPA and concluding that plaintiffs do not satisfy the injury-in-fact requirement for Article III standing where they have not been overcharged for settlement services); *Mullinax v. Radian Guar., Inc.*, 311 F.Supp.2d 474, 483 (M.D.N.C.2004) (“absent an overcharge that is contestable by the plaintiff, a plaintiff does not have standing to sue under RESPA”).

Accordingly, this Court should apply the reasoning and analysis of the recent Alston decision, as well as the other cases cited in defendants' opening brief, to conclude that plaintiffs lack standing to pursue the sole count of their Complaint for violation of RESPA.

IV. PLAINTIFFS CANNOT IGNORE THE TRUE IMPLICATIONS OF THIS ACTION

Plaintiffs' Opposition makes clear that the intent of this action is to have this Court declare as illegal under RESPA the reinsurance arrangements that Atrium has with various private mortgage insurance providers. Setting aside the fact that plaintiffs and their counsel are attempting to “step into the shoes” of the California Insurance Commissioner, the other obvious implication of this lawsuit, if successful, will be to eliminate the availability of reinsurance to the private mortgage insurers who are relying on such reinsurance as part of their business models.

This Court can certainly take judicial notice of the current state of the American economy and, more specifically, the financial state of the residential mortgage industry. Foreclosures are at an all time high and lenders, including PHH Mortgage, are faced with huge potential losses. Losses suffered from foreclosures are recovered in part from private mortgage insurance which, as plaintiffs acknowledge, is purchased from independent third party providers such as PMI, Inc., and Triad Guaranty Inc. These private mortgage insurance providers rely on their reinsurance arrangements with entities such as Atrium to cover a portion of the payments that must be made under the private mortgage insurance agreements with the lenders. See, e.g., Triad Guaranty Inc.'s Form 10K, dated April 1, 2008, relevant excerpts of which are attached hereto as Exhibit D, at 32 (the fact that two lenders with whom Triad had reinsurance agreements with affiliates are in bankruptcy exposes Triad to additional potential losses since Triad must still pay on the primary insurance policies even without the ability to obtain the reinsurance payments); *id.* at 89-90 (“Reinsurance contracts do not relieve Triad from its obligations to policyholders. Failure of the reinsurer to honor its obligations could result in losses to Triad[.]”).^[FN7] Plaintiffs attempt here to litigate the legitimacy of these reinsurance agreements without joining the entities that have both a real and substantial interest in the outcome is problematic at best, and more likely, impossible.

FN7. The Court may take judicial notice of SEC filings. *Plevy v. Haggerty*, 38 F. Supp. 2d 816, 821 (C.D.

Cal. 1998) (citing *Kramer v. Time Warner, Inc.*, 937 F.2d 767, 774 (2nd Cir. 1991)).

CONCLUSION

Plaintiffs' Opposition consists almost entirely of unsupported assertions that reinsurance in connection with private mortgage insurance is a "sham transaction." While plaintiffs concede they cannot sue for purported "overcharging" in connection with the price they paid for private mortgage insurance, they claim that they are entitled to invalidate the reinsurance "arrangements" as a violation of RESPA. But plaintiffs' attempted use of RESPA for this purpose fails for a variety of reasons. First, the use of reinsurance in connection with private mortgage insurance has been specifically authorized in California. Therefore, this suit constitutes an action to take over the duties and responsibilities of the California Insurance Commissioner. Second, the question whether the reinsurance arrangements are a "sham," as plaintiffs allege, is the responsibility of the state regulators, not plaintiffs and their counsel. Third, plaintiffs' effort to challenge reinsurance, which is not a settlement service, through the purported referral of private mortgage insurance, epitomizes a fundamental problem with plaintiffs' action, that is, that the parties who will be significantly affected by this litigation, the primary mortgage insurance providers, have not been named in the suit.

For all these reasons set forth in defendants' opening brief and herein, the Court should conclude that defendants are entitled to judgment in their favor on the pleadings.

Dated: January 26, 2009

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