EXAMINATION REPORT

OF THE

COLISEUM REINSURANCE COMPANY

AS OF

DECEMBER 31, 2012

Karen Weldin Stewart, CIR-ML
Commissioner

Delaware Department of Insurance

I, Karen Weldin Stewart, Insurance Commissioner of the State of Delaware, do hereby certify that the attached REPORT OF EXAMINATION, made as of December 31, 2012 of the

COLISEUM REINSURANCE COMPANY

is a true and correct copy of the document filed with this Department.

Attest By: Brandi Biddle

Date: June 3, 2014

In Witness Whereof, I have hereunto set my hand and affixed the official seal of this Department at the City of Dover, this 3rd day of June, 2014.

Karen Weldin Stewart, CIR-ML
Insurance Commissioner

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Karen Weldin Stewart, CIR-ML
Commissioner

Delaware Department of Insurance

REPORT OF EXAMINATION

OF THE

COLISEUM REINSURANCE COMPANY

AS OF

DECEMBER 31, 2012

The above-captioned report was completed by examiners of the Delaware Department of Insurance.

Consideration has been duly given to the comments, conclusions and recommendations of the examiners regarding the status of the company as reflected in the report.

This report is hereby accepted, adopted and filed as an official record of this Department.

Karen Weldin Stewart, CIR-ML
Insurance Commissioner

Dated this 3rd day of June, 2014

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April 12, 2014

SALUTATION

Honorable Karen Weldin Stewart, CIR-ML
Commissioner of Insurance
Delaware Department of Insurance
Rodney Building
841 Silver Lake Boulevard
Dover, Delaware 19904

Commissioner:

In compliance with instructions and pursuant to statutory provisions contained in Certificate of Authority No. 12.030, dated September 20, 2012, an examination has been made of the affairs, financial condition and management of the

COLISEUM REINSURANCE COMPANY

hereinafter referred to as "Company", incorporated under the laws of the State of Delaware as a stock company with its home office located at 1209 Orange Street, Wilmington, Delaware 19801. The examination was conducted at the main administrative offices of the Company located at 125 Broad Street, New York, New York 10004. The report of such examination is submitted herewith.

SCOPE OF EXAMINATION

The last examination of the Company was conducted by the Delaware Department of Insurance as of December 31, 2007, and covered the three (3) year period from January 1, 2005 to December 31, 2007. This examination of the Company covers the five (5) year period from January 1, 2008 through December 31, 2012, and encompasses a general review of transactions during the period, the Company's business policies and practices, as well as management and relevant corporate matters, with a determination of the financial condition of the Company at

December 31, 2012. Transactions subsequent to the examination date were reviewed where deemed necessary.

We conducted our examination in accordance with the *National Association of Insurance Commissioners (NAIC) Financial Condition Examiners Handbook* ("NAIC Handbook") and generally accepted statutory insurance examination standards consistent with the insurance laws and regulations of the State of Delaware. The NAIC Handbook requires that we plan and perform the examination to evaluate the financial condition and identify prospective risks of the Company by obtaining information about the Company, including corporate governance, identifying and assessing inherent risk within the Company, and evaluating its system controls and procedures used to mitigate those risks. The examination also includes an assessment of the principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation, management's compliance with Statutory Accounting Principles and annual statement instructions when applicable to Delaware state regulations.

All accounts and activities of the Company were considered in accordance with the NAIC Handbook risk focused examination process. The examination report only addresses regulatory information revealed by the examination process.

During the course of this examination, consideration was given to work performed by the Company's external accounting firm, WeiserMazars LLP ("Mazars"). Certain auditor work papers have been incorporated into the examination work papers and have been utilized in determining the scope and areas of emphasis in conducting the examination.

The Company is an indirect subsidiary of AXA America Holdings, Inc. and a member of NAIC Group Number 968, AXA Insurance Group ("Group"). The Company and two of its

wholly owned insurance subsidiaries, Mosaic Insurance Company ("Mosaic") and AXA Insurance Company ("AIC"), are the only property and casualty companies in the Group and share common administration and facilities under administrative services agreements with AXA Liabilities Managers, Inc. ("AXALM"). Examination coordination with the Group was not applicable given the unique management, operations, and statutory mandates of the Company, Mosaic, and AIC. Examination of the Company's third insurance subsidiary, AXA Corporate Solutions Life Reinsurance Company ("ACSLR"), was conducted by the Delaware Department of Insurance as of December 31, 2010, in coordination with the examination of the AXA Financial Life Group. An examination of Mosaic was conducted concurrently with this examination by the Delaware Department of Insurance. An examination of AIC was also conducted concurrent with this examination by the New York Department of Financial Services. Coordination of the Company, Mosaic, and AIC examinations was discussed between the Company's management, the New York Department of Financial Services and the Delaware Department of Insurance. Coordination was performed in common areas where duplication of effort could be eliminated. This examination did not rely upon any work performed by the New York Department of Financial Services.

This report of examination was confined to financial statements accounts and records, subsequent events and comments on matters that involved departures from laws, regulations or rules, or which were deemed to require special explanation or description. In addition to items noted in this report, the Company's pension and employee benefit plans and fidelity bond coverage and limits were reviewed without material exception. Supporting documents for this review are included in the work papers of this examination.

SUMMARY OF SIGNIFICANT FINDINGS

Investments in Affiliated Surplus Notes

The examination determined the Company overstated the reported value of its two surplus note investments in its wholly owned subsidiary, ACSLR, as of December 31, 2012. The two surplus notes in the amount of $70.0 million and $250.0 million were valued by the Company at actual cost. However, this examination determined that approximately $179.6 million of the surplus note investments in ACSLR should be non-admitted in accordance with the investment valuation provisions of *Statement of Statutory Accounting Principles No. 41 – Surplus Notes* ("SSAP No. 41"). In addition, this examination found the Company's surplus note investments to be overstated by $109.6 million, $118.6 million, and $142.5 million for the years ended December 31, 2011, 2010 and 2008, respectively.

An examination adjustment was made in order to non-admit approximately $179.6 million in surplus note investments classified as other invested assets and reduce surplus as regards to policyholder by the same amount as of December 31, 2012. The resulting combined value of the two surplus notes was reduced from $320.0 million to approximately $140.0 million. The Company subsequently resolved its noncompliance with SSAP No. 41 through a capital contribution to ACSLR and sale of the remaining surplus notes as part of a corporate realignment performed on December 23, 2013. The corporate realignment was approved by the Delaware Department of Insurance on December 20, 2013.

SUBSEQUENT EVENTS

Reinsurance Transaction

On March 14, 2013, the Company entered into an Assumption and Novation Agreement ("Agreement") with Zurich American Insurance Company ("ZAIC") and Swiss Reinsurance America Corporation ("SRA") effective January 1, 2013. Under the Agreement, the Company assigned and transferred to SRA all its rights, obligations, duties and liabilities under five

assumed reinsurance agreements covering ZAIC and its affiliates. On March 15, 2013, the Company paid SRA $15.3 million pursuant to this Agreement. On the same day, the Company paid $238 thousand to ZAIC as a full and final settlement of outstanding balances prior to January 1, 2013.

Concurrent with the Agreement, the Company executed an Aggregate Excess of Loss Reinsurance Agreement ("XOL Agreement") with SRA effective January 1, 2013. Under the XOL Agreement, the Company agreed to pay for all losses under the five reinsurance agreements novated in the Agreement in excess of a $30.0 million aggregate retention, but not to exceed $100.0 million. The premium for this transaction was $25.0 million and was paid to the Company on March 28, 2013. As part of the XOL Agreement, a commitment letter dated March 13, 2013 ("Letter"), was executed by AXALM, AXA Liabilities Managers SAS, and AXA S.A. (collectively "AXA"). Under the Letter, AXA agreed not to dissolve, liquidate, sell, merge, etc., the Company unless AXA has found another licensed AXA company to assume the XOL Agreement. The Letter requires the party assuming the XOL Agreement must have an S&P rating no less than that of AXA S.A.

Corporate Realignment

In order for the Company and its wholly owned subsidiaries to take advantage of approximately $150.0 million in net deferred tax assets that begin to expire in 2016, and to remedy the examination finding and recommendation related to the Company's compliance with *Statement of Statutory Accounting Principles No. 41 – Surplus Notes* ("SSAP No. 41"), the Company, AXA America Corporate Solutions, Inc. ("AXACS"), AXA America Holdings, Inc. ("AXA America"), ACSLR and Colisée Re were party to a corporate realignment subsequent to

the examination date. The corporate realignment was approved by the Delaware Department of Insurance on December 20, 2013, and consisted of the following transactions:

1) The Company's two surplus note investments in ACSLR in the amounts of $250.0 million and $70.0 million were amended effective December 20, 2013. The surplus note of $250.0 million was reduced by $78.1 million, which was contributed by the Company to the gross paid-in surplus of ACSLR. The two surplus notes with remaining balances totaling $241.9 million were subsequently sold and reissued to AXA America. The Company simultaneously loaned the $241.9 million proceeds from the sale of the surplus notes back to AXA America under the terms and conditions set out in the first of two newly issued fifteen-year term loan agreements. The newly issued loan agreement with the principal amount of $241.9 million was effective December 23, 2013, bears interest of 4.75%, and matures December 20, 2028.
2) On December 23, 2013, the Company received a capital contribution of $145.0 million from its parent, AXACS. Simultaneously, the Company loaned the proceeds of the capital contribution received to AXA America under the terms and conditions set out in the second of two newly issued fifteen-year term loan agreements. The newly issued loan agreement with the principal amount of $145.0 million was effective December 23, 2013, bears interest of 4.75%, and matures December 19, 2028.
3) The Company distributed an extraordinary dividend-in-kind of all four hundred and sixty-seven (467) issued and outstanding shares of ACSLR to its parent, AXACS, in order to transfer the Company's sole ownership of ACSLR to AXA America. The dividend-in-kind was based on the actual cost of ACSLR in the amount of $566.8 million on the transaction valuation date of September 30, 2013. The dividend-in-kind assumed

the Company's $78.1 million capital contribution to ACSLR occurred as of the valuation date.

4) On December 23, 2013, the Company paid an extraordinary cash dividend in the amount of $62.0 million to its parent company, AXACS.

5) Effective December 31, 2013, 73,000 newly issued shares of the Company's direct parent, AXACS, were issued to an affiliate, Colisée Re. The shares were issued to allow deconsolidation of the Company and its wholly owned subsidiaries tax grouping in an effort to utilize the net deferred tax assets of the companies before they begin to expire. The newly deconsolidated tax groupings become effective for the 2014 tax year. AXACS remains the direct parent of the Company, but Colisée Re owns approximately 21% of AXACS. AXA SA ("AXA") remains the ultimate controlling party and the reorganization has no direct effect on the corporate governance structure or management of the Company.

The following chart (including references to the descriptions above) represents changes in the Company's affected asset classes from the examination date of December 31, 2012, to December 31, 2013, as a result of the corporate realignment transactions:

Note: Chart reflected in thousands

	2012 Balance	Corporate Realignment Transactions (1) Contribution to ACSLR	(1) Sale and Loan to AXA America	(2) Loan to AXA America	(3) Extraordinary Dividend-in-Kind to AXA America	Stock Redemption	2013 Net Transactions	2013 Change in Nonadmitted Assets	2013 Balance
Common Stock Investments									
Mosaic Insurance Company	$ 19,930	$ -	$ -	$ -	$ -	$ -	$ (1,349)	$ -	$ 18,581
Other Unaffiliated Common Stock	17,309	-	-	-	-	-	(6,750)	-	10,559
AXA Financial Inc.	5,916	-	-	-	-	-	(637)	-	5,278
AXA Corp Solutions Life Re*	(120,894)	78,100	-	-	(566,839)	-	609,633	-	-
Total Common Stock	$ (77,740)	$ 78,100	$ -	$ -	$ (566,839)	$ -	$ 600,897	$ -	$ 34,418
Admitted Schedule BA Assets									
Surplus Note(s) - ACSLR*	$ 320,000	$ (78,100)	$ (241,900)	$ -	$ -	$ -	$ -	$ -	$ -
Loan(s) - AXA America Holdings, Inc.	-	-	241,900	145,000	-	-	-	-	386,900
AllianceBernstein, LP	106,672	-	-	-	-	-	23,929	-	130,601
AXA Delaware, LLC (AXA Ins. Co.)	120,690	-	-	-	-	(6,048)	3,181	-	117,824
Other Schedule BA Assets	567	-	-	-	-	-	(11)	-	556
	-	-	-	-	-	-	-	-	-
Nonadmitted Schedule BA Assets	-	-	-	-	-	-	-	-	-
AllianceBernstein, LP	(106,672)	-	-	-	-	-	-	(12,993)	(119,665)
Loan(s) - AXA America Holdings, Inc.	-	-	-	-	-	-	-	(332,219)	(332,219)
Total Admitted Schedule BA Assets	$ 441,257	$ (78,100)	$ -	$ 145,000	$ -	$ (6,048)	$ 27,099	$ (345,212)	$ 183,997
Deferred Taxes									
Net Deferred Tax Assets	$ 8,979	$ -	$ -	$ -	$ -	$ -	$ (3,615)	$ -	$ 5,364
Nonadmitted Deferred Tax Assets	(7,396)	-	-	-	-	-	-	3,000	(4,396)
Admitted Deferred Tax Assets	$ 1,583	$ -	$ -	$ -	$ -	$ -	$ (3,615)	$ 3,000	$ 968

*For 2012, the sum equals $199.1 million and was the statutory equity value of ACSLR as of December 31, 2012.
(1), (2) and (3) see related transaction description.

The following is an abbreviated organizational chart that reflects the identities and interrelationships between the Company, its parents, and affiliates with direct business relationships with the Company after the corporate realignment (changes highlighted in bold):

Company Name	**Domicile**	**Ownership**
AXA SA	France	
AXA Liabilities Managers, SAS	France	100%
AXA Liabilities Managers, Inc.	US	100%
Colisée Re	**France**	**100%**
AXA America Corporate Solutions, Inc.	**DE**	**21.0%**
AXA America Holdings, Inc.	DE	100%
AXA Corporate Solutions Life Reinsurance Company	**DE**	**100%**
AXA America Corporate Solutions, Inc.	**DE**	**79.0%**
AXA Financial, Inc.	DE	100%
AXA Equitable Financial Services, LLC	US	100%
AXA Equitable Life Insurance Company	NY	100%
Coliseum Reinsurance Company	**DE**	**100%**
Alliance Bernstein LP	DE	2.94%
AXA Delaware LLC	DE	100%
AXA Insurance Company	NY	100%
Mosaic Insurance Company	DE	100%

Change in President and Chief Executive Officer

During September 2013, the President, Chief Executive Officer and Board member of the Company, Klaus Endres, resigned to take a position with another insurance organization in Germany, his country of origin. Mr. Tom Taylor was appointed as the new President and Chief Executive Officer. Mr. Taylor has been with the AXA organization for over ten years and also serves as the General Counsel of AXA Liabilities Managers SAS.

Custodial Agreement

Effective August 26, 2013, the Company amended its custodial agreement with JPMorgan Chase Bank to comply with the recommended provisions of the *NAIC Model Act on Custodial Agreements and the Use of Clearing Corporations* ("Model #295") and *NAIC Model Regulation on Custodial Agreements and the Use of Clearing Corporations* ("Model #296"). The amendment was filed with the Delaware Department of Insurance.

Other Affiliated Transactions

For the years ended December 31, 2012 and 2013, the Company's wholly owned subsidiary, AIC (owned through an intermediary AXA Delaware, LLC), repurchased seven shares and four shares of its common stock at book value, respectively. The purpose of the AIC stock redemptions was to provide the Company with cash, irrespective of the fact AIC reported negative unassigned funds for both years and was ineligible to pay dividends in accordance with statutes. The purchase price of these shares was approximately $10.0 million and $6.0 million, for 2012 and 2013, respectively. The redemptions were approved by the AIC's regulatory authority on January 8, 2013, and February 19, 2014, respectively. The redemption and retirement date was recorded as of December 31, 2012 and 2013, and resulted in a reduction in the investment in subsidiary and an increase in affiliated receivables on the Company's balance

sheet as of December 31, 2012 and 2013, respectively.

COMPANY HISTORY

The Company was originally incorporated as Gamma Reinsurance Company on September 1, 1978, under the laws of the State of Delaware. The Company changed its name to AXA Reinsurance Company effective August 23, 1989. On September 11, 2000, the Company changed its name to AXA Corporate Solutions Reinsurance Company.

Through 2002, the Company's principal business was to underwrite domestic property and casualty reinsurance business on a treaty and facultative basis primarily through reinsurance intermediaries. On November 26, 2002, the Company informed the Delaware Department of Insurance of its intention to enter run-off in accordance with AXA's strategic decision to exit the United States property and casualty market. The Company ceased underwriting new and renewal business in the fourth quarter 2002 and implemented the exit strategy in 2003.

Effective January 1, 2004, management responsibilities of the Company were assumed by AXALM under the terms of an affiliated management services agreement. On April 21, 2008, the Company changed its name to Coliseum Reinsurance Company. The Company's ultimate controlling party has remained AXA since its inception.

Common Capital Stock, Paid-in Surplus and Surplus Notes

As amended, the Certificate of Incorporation authorizes the Company to issue 1,325,163 shares of $20 par value common stock. As of December 31, 2012, the Company had 1,325,163 shares authorized, issued, and outstanding common capital stock totaling $26,503,260. All shares of the Company are owned by AXACS.

As of December 31, 2012, the Company reported gross paid in and contributed surplus of $1.3 billion. During the examination period, the Company received $500.0 million, and

approximately $265.0 million of gross paid in and contributed surplus from its parent for the years ended 2008 and 2009, respectively. In 2008, $250.0 million was provided as cancellation of two surplus notes originally issued by the Company in 2003 in the amounts of $225.0 million and $25.0 million. The other $250.0 million was provided in the form of a cash contribution. In 2009, the Company received a cash contribution of $115.0 million and approximately $150.0 million in limited partnership units of an affiliate, AllianceBernstein, L.P. ("AllianceBernstein"). Of the total $764.7 million in contributions received by the Company during the period, $415.0 million was subsequently distributed to the Company's subsidiary, ACSLR, in the form of a surplus note of $250.0 million and a capital contribution of $165.0 million in 2008 and 2009, respectively.

Dividends

The Company paid extraordinary dividends during the examination period in the amounts of $30.0 million, $36.0 million and $42.0 million for the years ended 2010, 2011 and 2012, respectively. The dividends were properly approved by the Company's board of directors and the Delaware Department of Insurance.

CORPORATE RECORDS

The minutes of the Board of Directors, Stockholder and committees of the Board were reviewed for the period under examination. The recorded minutes documented activities and transactions of the Company.

The bylaws require the Board of Directors to meet annually after the annual stockholder meeting and provide for written consent in lieu of formal meetings. The minutes of the meetings verified annual meetings took place in each year of the examination period.

Copies of the Form B and C Holding Company Registration Statements filed with the Delaware Department of Insurance during the period under examination were reviewed. Per the review, the Company has complied with the provisions of 18 Del. Admin. Code 1801.

MANAGEMENT AND CONTROL

Pursuant to its bylaws, the business and affairs of the Company are managed by or under the direction of its Board of Directors. Accordingly, the Board of Directors may perform all lawful acts not otherwise reserved by stockholders or prohibited by either law or the Certificate of Incorporation. The bylaws require a minimum number of three and maximum of ten Directors.

The Directors are elected annually by the Stockholder and serve until resignation or their successors are elected and qualified. Directors duly elected and serving as of December 31, 2012, and their principal residence locations and business affiliations are as follows:

Name	Address	Business Affiliation
Cedric de Linares	Paris, France	Chief Executive Officer AXA Liabilities Managers SAS
Klaus Endres*	Feldkirchen, Germany	President & Chief Executive Officer AXA Liabilities Managers, Inc.
Robert Andrew Wolf II	Short Hills, New Jersey	Chief Financial Officer AXA Liabilities Managers, Inc.

Officers were elected in accordance with the bylaws during the period under examination. The bylaws require election of a President, one or more Vice Presidents, a Secretary, and a Treasurer. The following officers were serving as of December 31, 2012:

Name	Title
Klaus Endres*	President & Chief Executive Officer
Susan Burns Wilcher	Secretary, Vice President & General Counsel

Robert Andrew Wolf II	Treasurer, Chief Financial Officer & Vice President
Roderick Edler Perry	Vice President
Helen Antonia Reid	Vice President

* Subsequent to the examination date, Klaus Endres resigned and was replaced by Thomas Jeremy Taylor.

Holding Company System

The Company is a member of an Insurance Holding Company System pursuant to 18 Del. Admin. Code Ch. 50. The Company is a wholly owned subsidiary of AXACS, an insurance holding company domiciled in the State of Delaware. The Company and its direct parent are ultimately controlled by AXA through the United States insurance holding company, AXA America. AXA is a financial service company domiciled in France and trades on the Euronext Paris stock exchange.

The following is an abbreviated organizational chart that reflects the identities and interrelationships between the Company, its parents, and affiliates with direct business relationships with the Company as of December 31, 2012:

Company Name	Domicile	Ownership
AXA SA	France	
AXA Liabilities Managers SAS	France	100%
AXA Liabilities Managers, Inc.	US	100%
AXA America Holdings, Inc.	DE	100%
AXA America Corporate Solutions, Inc.	DE	100%
AXA Financial, Inc.	DE	100%
AXA Equitable Financial Services, LLC	US	100%
AXA Equitable Life Insurance Company	NY	100%
Coliseum Reinsurance Company	**DE**	**100%**
Alliance Bernstein LP	DE	2.94%
AXA Corporate Solutions Life Reinsurance Company	DE	100%
AXA Delaware LLC	DE	100%
AXA Insurance Company	NY	100%
Mosaic Insurance Company	DE	100%

Management, Service, and Other Agreements

Below is a summary of all material affiliated and unaffiliated agreements (excluding reinsurance agreements) in effect as of December 31, 2012. All affiliated agreements and amendments were properly filed and approved by the Delaware Department of Insurance.

Affiliated Agreements

As of December 31, 2012, the Company had the following service and other agreements in effect with affiliates:

- Guarantee Agreement – Effective July 1, 2001, the Company entered into a guarantee agreement with its subsidiary, AIC, under which payment of contract claims are assured. As of December 31, 2012, the Company has not been required to make any payments, nor establish any reserve under this guarantee.
- Guarantee Agreement – Effective January 1, 2002, the Company entered into a guarantee agreement with its subsidiary, Mosaic, under which payment of contract claims are

assured. As of December 31, 2012, the Company has not been required to make any payments, nor establish any reserve under this guarantee.

- Administrative Services Agreement – Effective January 1, 2004, the Company entered into an affiliated Administrative and Services Agreement with AXALM. The agreement had a five year term and was renewed on January 1, 2009, for an additional five years. In accordance with the agreement, AXALM provides or arranges for the provision of administrative, management and other services requested by the Company. All services related to the Company's business operations are included in this agreement. The Company reimburses AXALM for the actual costs and expenses paid by AXALM. The allocation is based upon fair and reasonable methods. On July 1, 2009, the Agreement was amended primarily to respond to recommendations presented to the Company during the prior examination. Effective January 1, 2011, the Company entered into the Second Amended and Restated Administration and Services Agreement. Under this second amendment, AXA LM was given authority to charge a (5%) five percent margin on the shared costs and expenses billed to the Company. Effective April 13, 2012, the Company entered into the Third Amended and Restated Administration and Services Agreement. The purpose of the third amendment was to remove AIC as a party to the agreement and delete references to New York State laws and regulations. The third amendment also clarified the agreement is to renew automatically unless twelve months' notice is provided by either party.
- Services Agreement – Effective June 1, 2005, AXA Equitable Life Insurance Company ("AXA Equitable") and AXALM entered into an affiliated services agreement. In

accordance with the agreement, AXA Equitable performs investment accounting functions for the Company and other affiliated companies on behalf of AXALM.

- Consolidated Federal Income Tax Agreement – Effective November 4, 2004 and entered into on May 26, 2006, AXA America and AXACS entered into a consolidated federal income tax agreement with the Company and certain other subsidiaries. In accordance with the agreement, AXA America files a consolidated federal income tax return, and each participant is allocated tax liabilities based upon separate tax return calculations.
- Investment Advisory Agreement – Effective October 1, 1993, the Company entered into an affiliated Discretionary Investment Advisory Agreement with Alliance Capital Management L.P., which is now known as AllianceBernstein L.P. ("AllianceBernstein"). In accordance with the agreement, AllianceBernstein was granted discretionary authority to manage the Company's investment portfolio in accordance with the Company's investment guidelines. The agreement was first amended July 1, 2005, in order to update the fee structure. The agreement was again amended May 4, 2012, in order to authorize AllianceBernstein to manage the Company's equity account in accordance with AllianceBernstein's U.S. Custom Index investment strategy.

Other Third Party Agreement

As of December 31, 2012, the Company had the following third party agreement:

- Custodial Agreement – Effective March 19, 1997, the Company entered into a Custodial Agreement with Chase Manhattan Bank, which is now known as JPMorgan Chase Bank, N.A. The agreement was amended as of August 8, 2008, in order to change the Company's name and make provisions to the termination clause in accordance with the *NAIC Model Act on Custodial Agreements and the Use of Clearing Corporations*

("Model #295") and *NAIC Model Regulation on Custodial Agreements and the Use of Clearing Corporations* ("Model #296"). During this examination, it was noted that certain other provisions outlined in Model 295 and Model 296 were not included in the custodial agreement. Effective August 26, 2013, the agreement was amended to comply with the missing provisions.

TERRITORY AND PLAN OF OPERATION

As of December 31, 2012, the Company was licensed in all fifty (50) states and the District of Columbia. However, the Company is licensed for reinsurance only in Connecticut, Hawaii, Florida, Kansas, Maine, Massachusetts, Missouri, New Hampshire, New Jersey, Pennsylvania, Vermont, Virginia, West Virginia and Wyoming.

The Company has been in run-off since 2003. The primary remaining gross liabilities relate to the domestic property and casualty reinsurance business written through intermediaries on a treaty and facultative basis prior to 2004, or acquired through the merger with the U.S. branch of Abeille Reassurances effective January 1, 1996. In addition, the Company assumes all net policy liabilities from its direct subsidiary, Mosaic.

GROWTH OF THE COMPANY

The following information reflects the admitted assets, surplus as regards policyholders, gross premiums written and net income of the Company since the prior examination:

Year	Admitted Assets	Surplus as Regards Policyholders	Gross Premiums Written	Net Income (Loss)
2012	*$326,628,921	*$185,289,575	$878,970	$25,476,624
2011	585,132,873	437,514,679	121,035	26,853,816
2010	602,984,593	443,177,003	2,388,556	31,944,648
2009	775,798,711	601,567,341	452,524	26,484,471
2008	618,869,596	430,469,689	(547,786)	(4,560,344)
2007	918,834,718	677,773,572	28,071,702	9,601,200

*Includes 2012 examination adjustment of an approximately $179.6 million reduction.

The Company has experienced overall decreasing admitted assets and surplus as regards to policyholders during the period under examination due to the continued run-off of existing business and several extraordinary dividends to its parent. Not considering the examination adjustment that reduced admitted assets and surplus by an approximately $179.6 million, total admitted assets decreased by 44.9% and surplus as regards policyholders decreased 46.2% over the five year examination period.

LOSS EXPERIENCE

Total net loss and loss adjustment expense reserves as of December 31, 2012, were $105.3 million and $6.5 million, respectively. The Company's 2012 Schedule P, Part 2 reflects a total one year adverse development of $175 thousand for incurred loss years ended December 31, 2011 and prior. The total one year adverse development for 2012 was due to a $3.6 million increase in expected losses related to the 2007 accident year, which was primarily offset by expected favorable results in the loss years of 2004 and loss years prior to 2003. The increase in expected losses for the 2007 accident year is primarily attributed to the affiliated reinsurance agreement with Mosaic and uncertainties in covered United States asbestos risks.

REINSURANCE

As of December 31, 2012, the Company has not entered any new assumed or ceded reinsurance contracts since the prior examination. Prior to entering run-off in 2003, the Company's principal business was to underwrite property, casualty and multiple line reinsurance business on a treaty and facultative basis primarily through reinsurance intermediaries. As of December 31, 2012, the remaining gross assumed liability was primarily related to pro-rata and excess of loss business written through various intermediaries and ceding companies. In

addition, the Company assumed the net policy and assumed reinsurance liability of its wholly owned subsidiary, Mosaic.

Assumed Reinsurance

The following is a summary of the primary assumed reinsurance contracts by type and the approximate remaining gross case and incurred but not reported reserves as of December 31, 2012.

Note: Chart reflected in thousands.

Cedant	Type of Contract	Gross Assumed Case Reserves	Gross Assumed IBNR	Total
Various	Treaty - Various Pro-rata and Excess of Loss	$ 13,452	$ 23,978	$ 37,430
Mosaic	Treaty - Pro-rata	8,507	21,053	29,560
Zurich	Treaty - Five (5) Separate Excess of Loss Agreements*	7,095	8,760	15,855
Various	Treaty - Abeille - Various Pro Rata and Excess of Loss	2,321	5,953	8,274
Various	Casualty Facultative	1,299	13,944	15,243
Various	Property Facultative	19	108	127
Total Gross Case and IBNR Reserves		$ 32,693	$ 73,796	$ 106,489

*Contracts were novated subsequent to December 31, 2012.

- Excess of Loss Agreements - Effective for annual terms between the years July 1, 1999 and July 11, 2001, the Company participated, as a subscribing reinsurer, in five separate General Liability, Automobile Liability and Workers Compensation and/or Employers Liability Reinsurance Contract(s) with and among Zurich American Insurance Company ("ZAIC") and several of its affiliates. Each contract specified retention and treaty limits and the Company subscribed at various levels of participation. Effective January 1, 2013, the agreements were novated, and the Company entered an assumptive XOL Agreement with Swiss Reinsurance American Company covering the five contracts novated.
- Adverse Development Reinsurance Agreement – Effective January 1, 2004, the Company entered an Adverse Development Reinsurance Agreement with its wholly owned subsidiary, AIC. In accordance with the agreement, the Company indemnifies any adverse development of AIC's reserves calculated as of December 31, 2003 for accident

years 2003 and prior. The Company is liable to pay up to $15 million for the amount that exceeds AIC's retention of $76.6 million. An addendum to the agreement effective January 1, 2007, redefined aggregate net losses. As of December 31, 2012, the Company reported approximately $5.8 million in losses payable under the agreement. The loss payable was reported as an aggregate write-in for liabilities.

- Quota Share Reinsurance Agreement - Effective January 1, 2007, the Company entered a Quota Share Reinsurance Agreement with its wholly owned subsidiary, Mosaic. In accordance with the agreement, the Company assumed one hundred percent of Mosaic's policy liabilities and assumed reinsurance agreement liabilities as of the contract effective date, net only of ceded reinsurance agreements or inuring reinsurance, respectively. The Company was assigned all current and future rights under inuring ceded reinsurance agreements on covered policy liabilities, and assumed the risk the inuring reinsurance may not be collectable. In accordance with the agreement, the Company must provide an accounting of any balances due for transactions subject to the agreement within forty-five days after the end of the calendar quarter.

Ceded Reinsurance

As of December 31, 2012, the Company retained the majority of its direct and assumed policy liability with total reinsurance recoverables of approximately $1.7 million due primarily from two reinsurers. The majority of the recoverable balances were collateralized by letters of credit.

ACCOUNTS AND RECORDS

The Company's administrative and technology services are provided by AXALM, or its designee, under an affiliated administrative and services agreement. Databases and application

software are maintained on various IBM operating systems hosted in the United States and France. The Company utilizes a PeopleSoft general ledger, various proprietary and third-party subsidiary ledger applications, and manual worksheets for accounting and financial reporting.

The Delaware Department of Insurance engaged INS Services, Inc. to perform a review and assessment of the Company's information systems and the related control environment. There were no examination comments or recommendations with respect to the Company's information technology systems and controls.

STATUTORY DEPOSITS

The Company's statutory deposits as of December 31, 2012, as listed below were reviewed and verified during the examination:

State	Deposit Type	Book Value	Fair Value
Arkansas	Bonds	409,013	410,087
California	Bonds	3,500,840	3,553,934
Delaware	Bonds	3,323,967	3,474,213
Georgia	Bonds	100,000	100,000
Illinois	Bonds	102,290	107,250
Kansas	Bonds	200,564	204,242
Kentucky	Bonds	159,345	158,950
Louisiana	Bonds	25,070	25,530
Massachusetts	Bonds	184,243	183,786
New Mexico	Bonds	345,972	352,317
North Carolina	Bonds	300,845	306,363
Oklahoma	Bonds	383,424	382,474
Oregon	Bonds	401,127	408,485
South Carolina	Bonds	150,424	153,276
Texas	Bonds	60,169	61,273
Puerto Rico	Bonds	462,896	467,830
Total		**$ 10,110,189**	**$ 10,350,010**

FINANCIAL STATEMENTS

The following statements show the assets, liabilities, surplus as regards policyholders of the Company, as determined by this examination, as of and for the period ended December 31, 2012:

- Analysis of Assets, Liabilities and Surplus
- Summary of Operations for the Year Ended 2012
- Reconciliation of Capital and Surplus Since the Prior Examination

Analysis of Assets, Liabilities and Surplus
December 31, 2012

	Ledger Assets	Assets Not Admitted	Net Admitted Assets	Notes
Bonds	$ 115,236,418	$ -	$ 115,236,418	*1*
Common stocks	(77,740,211)	-	(77,740,211)	*2*
Cash and short-term investments	7,865,532	-	7,865,532	
Other invested assets	547,928,576	286,282,481	261,646,095	*2*
Receivable for securities	2,700,000	-	2,700,000	
Investment income due and accrued	1,346,804	-	1,346,804	
Uncollected premiums and agents' balances	1,268,578	-	1,268,578	
Deferred premiums	463,139	-	463,139	
Amounts recoverable from reinsurers	433,404	-	433,404	
Funds held by or deposited with reinsured companies	1,247,796	-	1,247,796	
Net deferred tax asset	8,979,177	7,396,092	1,583,085	
Receivables from parent, subsidiaries and affiliates	10,550,164	-	10,550,164	
Aggregate write-ins for other than invested assets	28,117	-	28,117	
Total assets	$ 620,307,494	$ 293,678,573	$ 326,628,921	

	Liabilities and Surplus Items	Notes
Losses	$ 105,316,431	*3*
Reinsurance payable on paid loss and loss adjustment expenses	705,423	
Loss adjustment expenses	6,538,644	*3*
Commission payable, contingent commissions and other similar charges	1,168,083	
Other expenses	2,557,003	
Taxes, licenses and fees	103,310	
Current federal & foreign income taxes	7,562,079	
Unearned premiums	6,234	
Ceded reinsurance premiums payable	888,912	
Funds held by company under reinsurance treaties	82	
Provision for reinsurance	134,000	
Aggregate write-ins for liabilities	16,359,145	
Total liabilities	$ 141,339,346	
Aggregate write-ins for other than special surplus funds	($1,196,945)	
Common capital stock	26,503,260	
Gross paid in and contributed surplus	1,294,928,978	
Unassigned funds (surplus)	(1,134,945,718)	
Total surplus as regards policyholders	$ 185,289,575	*4*
Total Liabilities and Surplus as regards policyholders	$ 326,628,921	

Summary of Operations
For the period ended December 31, 2012
and
Reconciliation of Capital and Surplus
From December 31, 2007 to December 31, 2012

				Notes
Income:				
Premiums earned		$	1,247,844	
Net investment income earned			14,637,724	
Net realized capital gains			4,019,144	
Other income			19,085,798	
Total income		$	38,990,510	
Expenses:				
Losses incurred		$	528,070	
Loss adjustment expenses incurred			117,448	
Other underwriting expenses			6,000,741	
Federal and foreign income tax incurred			6,867,627	
Total expenses		$	13,513,886	
Net income:		$	25,476,624	
Surplus as regards to policyholders, December 31, 2007		$	677,773,572	
Net income			106,199,215	
Additions:				
Change in provision for reinsurance	$ 790,859			
Aggregate write-ins for gains and losses in surplus	2,079,805			
Surplus adjustments: Paid in	764,727,840			*4*
Total additions			767,598,504	
Deductions:				
Change in net unrealized capital gains	$ (722,646,397)			*4*
Change in nonadmitted assets	(277,667,497)			*4*
Change in net deferred income tax	(7,961,342)			*4*
Change in net unrealized foreign exchange capital gain	(6,480)			
Change in surplus notes	(250,000,000)			*4*
Dividends	(108,000,000)			
Total deductions			(1,366,281,716)	
Surplus as regards to policyholders, December 31, 2012		$	185,289,575	

SCHEDULE OF EXAMINATION ADJUSTMENTS

Description	Per Examination	Per Company	Surplus Increase (Decrease)	Notes
Assets:				
Other Invested Assets	$ 261,646,095	$ 441,256,976	$ (179,610,881)	2
Adjusted Admitted Assets	$ 261,646,095	$ 441,256,976	$ (179,610,881)	
Liabilities and Surplus:				
Unassigned funds	$ (1,134,945,718)	$ (955,334,837)	$ (179,610,881)	2
Adjusted Liabilities and Surplus	$ (1,134,945,718)	$ (955,334,837)	$ (179,610,881)	

NOTES TO THE FINANCIAL STATEMENTS

Note 1:
Bonds **$ 115,236,418**

As of December 31, 2012, the Company reported total bond investments with book adjusted carrying values in the amount of $115.2 million and fair market values of $125.3 million. Bond investments for the year ending 2012 were comprised of the following:

	Statement Value	% of Total
U.S. Governments	$ 37,696,359	32.7%
All Other Governments	6,363,276	5.5%
U.S. Special Revenues	1,323,160	1.1%
Industrial and Miscellaneous	69,660,578	60.5%
Hybrid Securities	193,045	0.2%
Total	$ 115,236,418	

Of the Company's total bond holdings, $102.2 million or 88.7% were categorized as Class 1, with respect to NAIC credit quality standards. NAIC Class 2 bonds totaled $12.2 million and accounted for 10.6% of total bonds. The remaining bonds were NAIC Class 3 and 4

and accounted for less than 1% of total bonds. The examination verified the existence, ratings and reported values for the bond securities as of December 31, 2012.

Note 2:

Common Stock	**$(77,740,211)**
Other Invested Assets	**$ 261,646,095**

The Company's common stock and other invested asset holdings at December 31, 2012, consisted primarily of common stock shares in unaffiliated publically traded companies and affiliated investments including: three wholly owned insurance subsidiaries, two surplus notes in a wholly owned insurance subsidiary, common shares of a privately held affiliate and a non-admitted limited partnership interest. Prior to examination adjustments, common stocks and other invested assets as of year-end 2012 consisted of the following:

	Common Stock	Other Invested Assets**
Mosaic Insurance Company	$ 19,929,790	
Other Unaffiliated Common Stock	17,308,638	
AXA Financial Inc.	5,915,589	
AXA Corp Solutions Life Re*	(120,894,228)	
Surplus Notes - AXA Corp Solutions Life Re*		$ 320,000,000
AXA Delaware, LLC (AXA Insurance Company)		120,690,178
AllianceBernstein, LP		106,671,600
Other Schedule BA Assets		566,798
AllianceBernstein, LP - Non-admittance		(106,671,600)
Total	$ (77,740,211)	$ 441,256,976

*Sum equals $199,105,772 and is the statutory equity value of ACSLR
**Amounts reflect reported balances prior to non-admittance of approximately $179.6 million in ACSLR surplus notes.

The Company utilized the audited statutory book value for the valuation of its three wholly owned insurance subsidiaries, Mosaic, AIC, and ACSLR. Mosaic was classified in the Annual Statement as common stock, and AIC was classified as other admitted assets because it is owned through AXA Delaware, LLC ("AXA Delaware"), a wholly owned limited liability company. The book adjusted carrying value of AXA Delaware is immaterially different than

statutory equity value of AIC. This examination determined the investment in AXA Delaware is valued properly in accordance with *Statement of Statutory Accounting Principles No. 97 – Investments in Subsidiary, Controlled and Affiliated Entities, A Replacement of SSAP No. 88* ("SSAP No. 97") and is classified in accordance with *Statement of Statutory Accounting Principles No. 48 – Joint Ventures, Partnerships and Limited Liability Companies* ("SSAP No. 48").

ACSLR was classified as common stock in the 2012 Annual Statement net of the Company's surplus note investments in ACSLR that were classified as other invested assets in accordance with SSAP No. 97. The surplus notes in the amount of $70.0 million and $250.0 million were valued by the Company at actual cost. However, this examination determined that approximately $179.6 million of the surplus note investments in ACSLR should be non-admitted as of December 31, 2012 in accordance with the investment valuation provisions of *Statement of Statutory Accounting Principles No. 41 – Surplus Notes* ("SSAP No. 41"). An examination adjustment was made in order to non-admit approximately $179.6 million in surplus note investments classified as other invested assets and reduce unassigned funds by the same amount as of December 31, 2012. The resulting value of the surplus note is approximately $140.0 million and the combined value of ACSLR is approximately $19 million versus approximately $200 million based on its statutory equity value including the surplus notes at full value as reported at December 31, 2012. In addition, this examination found the Company's surplus note investments in ASCLR and surplus to be overstated by $109.6 million, $118.6 million and $142.5 million for the years ended December 31, 2011, 2010 and 2008, respectively.

It is recommended the Company implement a process to review compliance with SSAP No. 41 at least quarterly and properly non-admit surplus note investments in accordance with the statutory guidance. The Company subsequently resolved its noncompliance with SSAP No. 41 through a capital contribution to ACSLR and sale

of the remaining surplus notes as part of a corporate realignment performed on December 23, 2013. The corporate realignment was approved by the Delaware Department of Insurance on December 20, 2013.

The Company's remaining common stock and other invested asset holdings were either valued in accordance with applicable statutory guidance in all material respects or non-admitted. The $5.9 million common stock value of AXA Financial, Inc. ("AXA Financial") was valued based on consolidated results of an affiliate. The prior examination found the Company did not maintain sufficient evidence to support the valuation of AXA Financial in accordance with the applicable Statement of Statutory Accounting Principle ("SSAP") at the time. The prior examination did not adjust the reported value, but recommended the Company obtain necessary documentation to comply with SSAP. This examination found the Company has not complied with the prior examination recommendation.

It is recommended the Company obtain proper documentation evidencing the value of AXA Financial in accordance with SSAP No. 97.

The Company owns $106.7 million in limited partnership units of its affiliate, AllianceBernstein. As of December, 31, 2012, the entire limited partnership interest was non-admitted in accordance with 18 Del. Admin. Code 1311. Limited partnership investments were valued in accordance with SSAP No. 48 in all material respects. All other common stock investments were valued based on readily available market values. Valuation of these assets was confirmed and verified for accuracy and completeness during the examination.

Note 3:

Losses	**$ 105,316,431**
Loss Adjustment Expenses	**$ 6,538,644**

INS Consultants, Inc. ("Consulting Actuary") performed a review of the inherent risks, management oversight and other mitigating controls over the Company's actuarial processes and procedures. The Consulting Actuary's review included detail testing and an independent calculation of the Company's loss and loss adjustment expense reserves as of December 31, 2012. The Company's actuarial staff provided the Consulting Actuary its Statement of Actuarial Opinion and the supporting actuarial data, documents and calculations. The Consulting Actuary determined the Company's loss and loss adjustment expense reserves were sufficient on both a gross and net basis as of December 31, 2012.

Note 4:

Total Surplus as Regards Policyholders	**$ 185,289,575**
Surplus Adjustment: Paid in	**764,727,840**
Change in Net Unrealized Capital Gains	**(722,646,397)**
Change in Non-admitted Assets	**(277,667,497)**
Change in Net Deferred Income Tax	**(7,961,342)**
Change in Surplus Notes	**(250,000,000)**

Prior to the examination adjustment that increased non-admitted assets and reduced surplus by approximately $179.6 million, the Company reported surplus as regards to policyholders in the amount of approximately $365.0 million and $678.0 million as of December 31, 2012 and December 31, 2007, respectively. This is a decline of approximately $313.0 million despite cumulative net income in the amount of approximately $106.0 million and net capital contributions received from AXACS totaling approximately $407.0 million. The net capital contributions include approximately $765.0 million paid-in capital contributions reduced by cancellation of $250.0 million in surplus notes and five-year cumulative extraordinary dividends paid of $108.0 million. The nearly $826.0 million decline in surplus as regards to

policyholders after net income and net capital contributions for the examination period (before examination adjustments) is primarily related to increases in unrealized capital losses and non-admitted assets of approximately $723.0 million and $98.0 million, respectively. In addition, net deferred income tax assets decreased approximately $8.0 million.

Of the approximately $723.0 million total unrealized capital losses during the examination period, approximately $704.0 million and approximately $43.0 million were related to declines in the book adjusted carrying value of ACSLR and AllianceBernstein, respectively. These unrealized capital losses were offset by approximately $24.0 million in gains in other securities valued at fair market value or the equity method of accounting. Overall, the Company's investment in ACSLR has continued to decline over the examination period despite additional investments of $250.0 million in a surplus note and $165.0 million in cash in 2008 and 2009, respectively. AllianceBernstein experienced a cumulative unrealized loss of $43.0 million, however the valuation varied from year to year. During the examination period, the Company booked unrealized gains and losses on the AllianceBernstein limited partnership investment in the amount of a $27.0 million gain, $65.0 million loss, $30.0 million loss, and a $25.0 million gain, for the years ended 2012, 2011, 2010 and 2009, respectively.

Of the approximately $98.0 million increase in non-admitted assets during the examination period (before examination adjustments), approximately $107.0 million increase is related to the AllianceBernstein limited partnership investment and approximately $6.0 million decrease is attributed to deferred tax assets. The Company's limited partnership interest in AllianceBernstein was received as part of the 2009 capital contribution from AXACS and is non-admitted in accordance with Delaware statutes. Non-admitted deferred tax assets declined approximately $6.0 million from approximately $13.0 million in 2007 to approximately $7.0

million in 2012. It was noted that net deferred tax assets declined approximately $300.0 million in 2012, which was primarily attributed to the correction of the cumulative 2009 and 2010 increase in deferred tax assets of approximately $295.0 million. From 2009 to 2011, the Company recognized a deferred tax asset related to the valuation of its subsidiaries. In 2012, the Company determined it was reporting the balances improperly and removed the related deferred tax asset. There was no net affect to surplus for this change during the examination period because the deferred tax assets related to the error were non-admitted in all material respects.

COMPLIANCE WITH PRIOR EXAMINATION RECOMMENDATIONS

The following is a summary of the recommendations contained in the prior examination report as of December 31, 2007, and comments regarding the Company's compliance during the current examination period.

1. It is recommended that management closely monitor its compliance with SSAPs in the maintenance of its accounts and records and all NAIC instructions in the preparation of its Annual Statement.

   The Company has complied with this recommendation.

2. It is recommended that the Company obtain the necessary documentation per ("SSAP No. 46") to properly value its ownership of affiliated stock. Since the prior examination, SSAP No. 46 was replaced by SSAP No. 97.

   The Company has not complied with this recommendation. It is recommended the Company obtain proper documentation evidencing the value of affiliated stock in accordance with SSAP No. 97.

3. It is recommended that the Company correctly report the number of shares and valuation rate used in Schedule D of future filed financial statements.

   The Company has complied with this recommendation.

4. It is recommended that the Company disclose ownership of AXA Financial, Inc. stock in the Notes to the Financial Statements per the NAIC Annual Statement Instructions.

   The Company has complied with this recommendation.

5. It is recommended that the Company non-admit balances over 90 days past due per SSAP 10 and settle intercompany balances in accordance with its affiliated Tax Sharing Agreement.

   The Company has complied with this recommendation.

SUMMARY OF RECOMMENDATIONS

The following is a summary of examination recommendations that warranted disclosure in the report on examination as of December 31, 2012.

Investments in Affiliates

The examination determined the Company failed to comply with the investment valuation provisions of *Statement of Statutory Accounting Principles No. 41 – Surplus Notes* ("SSAP No. 41") when valuing its affiliated investments in the surplus notes of AXA Corporate Solutions Life Reinsurance Company ("ACSLR") for the years ended December 31, 2012, 2011, 2010, and 2008.

It is recommended the Company implement a process to review compliance with SSAP No. 41 at least quarterly and properly non-admit surplus note investments in accordance with the statutory guidance. The Company subsequently resolved its noncompliance with SSAP No. 41 through a capital contribution to ACSLR and sale of the remaining surplus notes as part of a corporate realignment performed on December 23, 2013. The corporate realignment was approved by the Delaware Department of Insurance on December 20, 2013.

1. The examination determined the Company failed to comply with the prior examination finding by not maintaining sufficient evidence to support the valuation of affiliated stock in accordance with SSAP No. 46, which was subsequently superseded by SSAP No. 97.

It is recommended the Company obtain proper documentation evidencing the value of AXA Financial in accordance with SSAP No. 97.

CONCLUSION

The following schedule shows the results of this examination and the results of the prior examination with changes between the examination periods:

Description	December 31, 2012	December 31, 2007	(Decrease)
Assets	$326,628,921	$918,834,718	($592,205,797)
Liabilities	141,339,346	241,061,146	($99,721,800)
Capital and Surplus	185,289,575	677,773,572	($492,483,997)

The assistance of Delaware's consulting actuarial firm, INS Consultants, Inc. and the consulting information technology specialist with INS Services, Inc. is acknowledged.

Respectfully submitted,

Richard E. Palmatary, CPA, CFE
Examiner In-Charge
State of Delaware