

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	4,422,224		4,422,224	
2. Stocks (Schedule D):				
2.1 Preferred stocks.....				
2.2 Common stocks.....				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....				
3.2 Other than first liens.....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....				
4.2 Properties held for the production of income (less \$ encumbrances).....				
4.3 Properties held for sale (less \$ encumbrances).....				
5. Cash (\$ 1,128,941, Schedule E - Part 1), cash equivalents (\$ 18,896,545, Schedule E - Part 2) and short-term investments (\$ 9,307,691, Schedule DA).....	29,333,177		29,333,177	
6. Contract loans (including \$ premium notes).....				
7. Derivatives (Schedule DB).....				
8. Other invested assets (Schedule BA).....				
9. Receivables for securities.....				
10. Securities lending reinvested collateral assets (Schedule DL).....				
11. Aggregate write-ins for invested assets.....				
12. Subtotals, cash and invested assets (Lines 1 to 11).....	33,755,401		33,755,401	
13. Title plants less \$ charged off (for Title insurers only).....				
14. Investment income due and accrued.....	183,776		183,776	
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	288,889		288,889	
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....				
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$).....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....				
16.2 Funds held by or deposited with reinsured companies.....				
16.3 Other amounts receivable under reinsurance contracts.....				
17. Amounts receivable relating to uninsured plans.....				
18.1 Current federal and foreign income tax recoverable and interest thereon.....				
18.2 Net deferred tax asset.....				
19. Guaranty funds receivable or on deposit.....				
20. Electronic data processing equipment and software.....	926,009	926,009	-	
21. Furniture and equipment, including health care delivery assets (\$).....				
22. Net adjustment in assets and liabilities due to foreign exchange rates.....				
23. Receivables from parent, subsidiaries and affiliates.....				
24. Health care (\$) and other amounts receivable.....				
25. Aggregate write-ins for other-than-invested assets.....	7,500	7,500	-	
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	35,161,575	933,509	34,228,066	
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....				
28. Total (Lines 26 and 27).....	35,161,575	933,509	34,228,066	
Details of Write-Ins				
1101.....				
1102.....				
1103.....				
1198. Summary of remaining write-ins for Line 11 from overflow page.....				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....				
2501. Prepaid expenses.....	7,500	7,500	-	
2502.....				
2503.....				
2598. Summary of remaining write-ins for Line 25 from overflow page.....				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	7,500	7,500	-	

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)				
2. Accrued medical incentive pool and bonus amounts				
3. Unpaid claims adjustment expenses				
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act				
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserves				
7. Aggregate health claim reserves				
8. Premiums received in advance	383,138		383,138	
9. General expenses due or accrued				
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))				
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others				
13. Remittances and items not allocated				
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)				
15. Amounts due to parent, subsidiaries and affiliates	1,794,124		1,794,124	
16. Derivatives				
17. Payable for securities				
18. Payable for securities lending				
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ unauthorized reinsurers and \$ certified reinsurers)				
20. Reinsurance in unauthorized and certified (\$) companies				
21. Net adjustments in assets and liabilities due to foreign exchange rates				
22. Liability for amounts held under uninsured plans				
23. Aggregate write-ins for other liabilities (including \$ current)	68,113		68,113	
24. Total liabilities (Lines 1 to 23)	2,245,375		2,245,375	
25. Aggregate write-ins for special surplus funds	XXX	XXX		
26. Common capital stock	XXX	XXX	1,000,000	
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	1,000,000	
29. Surplus notes	XXX	XXX	35,000,000	
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX		
31. Unassigned funds (surplus)	XXX	XXX	(5,017,309)	
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	31,982,691	
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	34,228,066	
Details of Write-Ins				
2301. Deferred rent	68,113		68,113	
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	68,113		68,113	
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX		
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX		

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX		
2. Net premium income (including \$ non-health premium income).....	XXX		
3. Change in unearned premium reserves and reserve for rate credits.....	XXX		
4. Fee-for-service (net of \$ medical expenses).....	XXX		
5. Risk revenue.....	XXX		
6. Aggregate write-ins for other health care related revenues.....	XXX		
7. Aggregate write-ins for other non-health revenues.....	XXX		
8. Total revenues (Lines 2 to 7).....	XXX		
Hospital and Medical:			
9. Hospital/medical benefits.....			
10. Other professional services.....			
11. Outside referrals.....			
12. Emergency room and out-of-area.....			
13. Prescription drugs.....			
14. Aggregate write-ins for other hospital and medical.....			
15. Incentive pool, withhold adjustments and bonus amounts.....			
16. Subtotal (Lines 9 to 15).....			
Less:			
17. Net reinsurance recoveries.....			
18. Total hospital and medical (Lines 16 minus 17).....			
19. Non-health claims (net).....			
20. Claims adjustment expenses, including \$ cost containment expenses.....			
21. General administrative expenses.....		4,401,795	
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....			
23. Total underwriting deductions (Lines 18 through 22).....		4,401,795	
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	(4,401,795)	
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		313,219	
26. Net realized capital gains (losses) less capital gains tax of \$ 1,003.....		3,773	
27. Net investment gains (losses) (Lines 25 plus 26).....		316,992	
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)].....			
29. Aggregate write-ins for other income or expenses.....			
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	(4,084,803)	
31. Federal and foreign income taxes incurred.....	XXX	(1,003)	
32. Net income (loss) (Lines 30 minus 31).....	XXX	(4,083,800)	
Details of Write-Ins			
0601.....	XXX		
0602.....	XXX		
0603.....	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX		
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	XXX		
0701.....	XXX		
0702.....	XXX		
0703.....	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX		
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above).....	XXX		
1401.....			
1402.....			
1403.....			
1498. Summary of remaining write-ins for Line 14 from overflow page.....			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....			
2901.....			
2902.....			
2903.....			
2998. Summary of remaining write-ins for Line 29 from overflow page.....			
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....			

STATEMENT OF REVENUE AND EXPENSES (CONTINUED)

CAPITAL & SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting year		
34. Net income or (loss) from Line 32	(4,083,800)	
35. Change in valuation basis of aggregate policy and claim reserves		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$		
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax		
39. Change in nonadmitted assets	(933,509)	
40. Change in unauthorized and certified reinsurance		
41. Change in treasury stock		
42. Change in surplus notes	35,000,000	
43. Cumulative effect of changes in accounting principles		
44. Capital Changes:		
44.1 Paid in	1,000,000	
44.2 Transferred from surplus (Stock Dividend)		
44.3 Transferred to surplus		
45. Surplus adjustments:		
45.1 Paid in	1,000,000	
45.2 Transferred to capital (Stock Dividend)		
45.3 Transferred from capital		
46. Dividends to stockholders		
47. Aggregate write-ins for gains or (losses) in surplus		
48. Net change in capital and surplus (Lines 34 to 47)	31,982,691	
49. Capital and surplus end of reporting year (Line 33 plus 48)	31,982,691	
Details of Write-Ins		
4701.		
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page		
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)		

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	94,249	
2. Net investment income	118,798	
3. Miscellaneous income		
4. Total (Lines 1 to 3)	213,047	
5. Benefit and loss related payments		
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	4,315,164	
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ 1,003 tax on capital gains (losses)	-	
10. Total (Lines 5 through 9)	4,315,164	
11. Net cash from operations (Line 4 minus Line 10)	(4,102,117)	
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	1,385,272	
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	-	
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,385,272	
13. Cost of investments acquired (long-term only):		
13.1 Bonds	5,794,523	
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications	-	
13.7 Total investments acquired (Lines 13.1 to 13.6)	5,794,523	
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(4,409,251)	
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	35,000,000	
16.2 Capital and paid in surplus, less treasury stock	2,000,000	
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	844,545	
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	37,844,545	
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)	29,333,177	
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year		
19.2 End of year (Line 18 plus Line 19.1)	29,333,177	

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001		
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