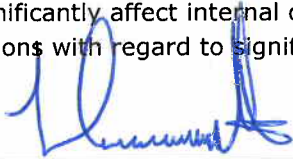


Management Statement Concerning Annual Report

Although we are not an SEC registrant, we have elected to comply voluntarily with section 302 of the Sarbanes-Oxley Act of 2002. In addition, beginning with the 2010 financial statements, we are required to comply with the revised NAIC Model Audit Rule.

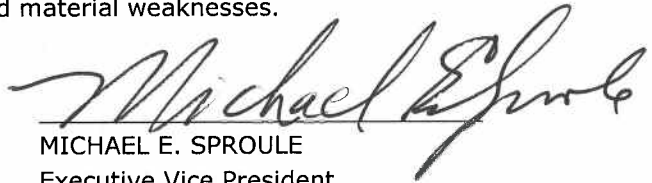
These standards identify management's responsibilities for its financial statements and require management to certify as to the integrity of the financial statements and the effectiveness of internal controls. Our statement to that effect is presented below.

1. We have reviewed the Annual Report ("the Report") of the Company for the period ending December 31, 2010.
2. Based on our knowledge, the Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by the Report.
3. Based on our knowledge, the financial statements referenced and other financial information included in the Report fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of and for the years ended December 31, 2010 and 2009.
4. We are responsible for establishing and maintaining internal controls and procedures for financial reporting purposes for the Company and we have:
 - a. designed such internal controls and procedures for financial reporting purposes, or caused such controls to be designed under our supervision to ensure that material information relating to the Company is made known to us by others within the organization, particularly during the period in which the Report is being prepared;
 - b. evaluated the effectiveness of the Company's internal controls and procedures for financial reporting purposes as of December 31, 2010 and 2009 using our own internal framework; and
 - c. concluded that the internal controls and procedures for financial reporting purposes are effective based on our evaluation as of December 31, 2010 and 2009.
5. We have disclosed, based on our most recent evaluation, to the Company's independent auditors, Audit Committee of the Board of Directors, and the State Insurance Departments of New York and Delaware:
 - a. all significant deficiencies and material weaknesses in the design or operation of internal controls that could adversely affect the Company's ability to record, process, summarize and report financial data (there were none); and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in internal controls.
6. There have been no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to December 31, 2010, including any corrective actions with regard to significant deficiencies and material weaknesses.



THEODORE MATHAS
Chairman, President and
Chief Executive Officer

4/15/11
Date



MICHAEL E. SPROULE
Executive Vice President
and Chief Financial Officer

4/14/11
Date