



QUARTERLY STATEMENT

AS OF MARCH 31, 2014
OF THE CONDITION AND AFFAIRS OF THE

Sunshine State Insurance Company

NAIC Group Code 4689, 4689 NAIC Company Code 10860 Employer's ID Number 59-3476554
(Current Period) (Prior Period)

Organized under the Laws of Florida, State of Domicile or Port of Entry Florida
Country of Domicile United States

Incorporated/Organized 11/21/1997 Commenced Business 11/21/1997

Statutory Home Office 12724 Gran Bay Parkway West, Suite 150, Jacksonville, FL, US 32258-9486
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 12724 Gran Bay Parkway West, Suite 150 Jacksonville, FL, US 32258-9486 904-365-6200
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 12724 Gran Bay Parkway West, Suite 150, Jacksonville, FL, US 32258-9486
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 12724 Gran Bay Parkway West, Suite 150 Jacksonville, FL, US 32258-9486 904-365-6200
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.ssic-insco.com

Statutory Statement Contact Joseph Francis Braunstein Jr. 904-365-6200
(Name) (Area Code) (Telephone Number) (Extension)
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(E-Mail Address) (Fax Number)

OFFICERS

Name	Title	Name	Title
<u>Joseph Francis Braunstein Jr.</u>	<u>Chief Executive Officer</u>	<u>Richard Lee Ervin Jr.</u>	<u>Chief Financial Officer</u>

OTHER OFFICERS

DIRECTORS OR TRUSTEES

<u>Joseph Francis Braunstein Jr.</u>	<u>John Anthony Gerson</u>	<u>John Nicholas Lombardo</u>	<u>Marshall Manley</u>
<u>Tal Patric Piccione</u>	<u>Peter Sayres Rawlings</u>		

State of Florida

County of Duval

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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.

Joseph Francis Braunstein Jr.
Chief Executive Officer

Richard Lee Ervin Jr.
Chief Financial Officer

Subscribed and sworn to before me this
14 day of May, 2014

Michelle S. Brannen, Notary Public
September 19, 2014

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 _____

STATEMENT AS OF MARCH 31, 2014 OF THE Sunshine State Insurance Company

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	7,443,812		7,443,812	8,166,976
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	773,476		773,476	798,761
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
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 (\$4,333,024), cash equivalents (\$0) and short-term investments (\$655,133)	4,988,156		4,988,156	1,964,404
6. Contract loans (including \$premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	13,205,444	0	13,205,444	10,930,141
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	41,308		41,308	53,651
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	912,363	12,630	899,733	1,191,911
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	2,105,430		2,105,430	2,063,230
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	3,631,489		3,631,489	3,752,595
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts	1,992,322		1,992,322	2,044,519
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	1,376,177	1,376,177	0	0
18.2 Net deferred tax asset	13,028,966	13,028,966	0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software	12,500		12,500	50,000
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	977,119		977,119	941,826
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other than invested assets	85,779	85,329	450	450
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	37,368,897	14,503,102	22,865,795	21,028,323
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	37,368,897	14,503,102	22,865,795	21,028,323
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Prepaid Expenses.....	85,329	85,329	0	0
2502. Miscellaneous Receivables.....	450		450	450
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	85,779	85,329	450	450

STATEMENT AS OF MARCH 31, 2014 OF THE Sunshine State Insurance Company

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 429,415)	4,721,762	4,871,894
2. Reinsurance payable on paid losses and loss adjustment expenses		0
3. Loss adjustment expenses	1,035,794	1,075,892
4. Commissions payable, contingent commissions and other similar charges	593,335	416,439
5. Other expenses (excluding taxes, licenses and fees)	596,118	270,854
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	272,590	218,609
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		0
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 35,337,046 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	34,146	35,726
10. Advance premium	2,228,679	1,452,309
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	3,987,595	1,735,553
13. Funds held by company under reinsurance treaties		0
14. Amounts withheld or retained by company for account of others		0
15. Remittances and items not allocated	5,720	339,897
16. Provision for reinsurance (including \$ certified)		18,652
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		0
20. Derivatives		0
21. Payable for securities		0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	2,145,869	1,921,516
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	15,621,608	12,357,341
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	15,621,608	12,357,341
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	1,520,000	1,520,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes	3,000,000	3,000,000
34. Gross paid in and contributed surplus	76,662,322	76,662,322
35. Unassigned funds (surplus)	(73,938,134)	(72,511,340)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		0
36.2 shares preferred (value included in Line 31 \$)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	7,244,187	8,670,982
38. Totals (Page 2, Line 28, Col. 3)	22,865,795	21,028,323
DETAILS OF WRITE-INS		
2501. Refunds Payable	403,157	207,733
2502. Escheat Reserve	1,565,607	1,704,616
2503. Assessments Payable	172,205	8,493
2598. Summary of remaining write-ins for Line 25 from overflow page	4,900	675
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	2,145,869	1,921,516
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 16,780,290)	18,615,314	19,682,035	78,916,788
1.2 Assumed (written \$)		0	
1.3 Ceded (written \$ 20,146,496)	21,979,940	21,811,645	90,379,676
1.4 Net (written \$ (3,366,206))	(3,364,627)	(2,129,610)	(11,462,888)
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 760,415):			
2.1 Direct	3,474,535	2,777,861	13,221,330
2.2 Assumed	(5,583)	9,312	71,970
2.3 Ceded	2,530,112	1,980,199	10,062,304
2.4 Net	938,839	806,974	3,230,996
3. Loss adjustment expenses incurred	211,563	606,684	2,692,217
4. Other underwriting expenses incurred	(2,989,547)	(5,144,240)	(17,937,057)
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	(1,839,145)	(3,730,582)	(12,013,844)
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(1,525,482)	1,600,972	550,956
INVESTMENT INCOME			
9. Net investment income earned	17,485	43,409	105,744
10. Net realized capital gains (losses) less capital gains tax of \$	1,297	1,349	79,830
11. Net investment gain (loss) (Lines 9 + 10)	18,783	44,759	185,574
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 1,186 amount charged off \$ 0)	1,186	123	(1,176)
13. Finance and service charges not included in premiums	24,541	8,728	35,662
14. Aggregate write-ins for miscellaneous income	(35,053)	(40,724)	(144,046)
15. Total other income (Lines 12 through 14)	(9,326)	(31,874)	(109,560)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(1,516,026)	1,613,857	626,970
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)	(1,516,026)	1,613,857	626,970
19. Federal and foreign income taxes incurred		242,079	0
20. Net income (Line 18 minus Line 19)(to Line 22)	(1,516,026)	1,371,778	626,970
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	8,670,982	13,773,803	13,773,803
22. Net income (from Line 20)	(1,516,026)	1,371,778	626,970
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	(25,285)	(90,245)	45,817
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	468,934	0	1,452,068
27. Change in nonadmitted assets	(373,069)	(24,327)	(4,562,204)
28. Change in provision for reinsurance	18,652	0	(18,652)
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	2,000,000
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	0
36. Change in treasury stock		0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	(4,646,820)
38. Change in surplus as regards policyholders (Lines 22 through 37)	(1,426,794)	1,257,205	(5,102,822)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	7,244,187	15,031,008	8,670,982
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Miscellaneous Income	4,079	0	14,495
1402. Credit Card Processing Fees	(31,735)	(34,007)	(130,010)
1403. Other Expense	(7,397)	(6,717)	(28,566)
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	36
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	(35,053)	(40,724)	(144,046)
3701. Prior Year Adjustments		0	(4,646,820)
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	(4,646,820)

STATEMENT AS OF MARCH 31, 2014 OF THE Sunshine State Insurance Company

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	(64,713)	(3,987,657)	(9,909,088)
2. Net investment income	58,114	72,202	218,272
3. Miscellaneous income	(9,326)	(31,874)	(109,560)
4. Total (Lines 1 to 3)	(15,926)	(3,947,329)	(9,800,377)
5. Benefit and loss related payments	967,866	143,092	7,758,790
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	(3,346,236)	(4,169,480)	(12,625,487)
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	0	0	(61,133)
10. Total (Lines 5 through 9)	(2,378,370)	(4,026,387)	(4,927,830)
11. Net cash from operations (Line 4 minus Line 10)	2,362,444	79,058	(4,872,547)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	887,333	1,295,706	8,309,429
12.2 Stocks	0	0	0
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	0
12.7 Miscellaneous proceeds	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	887,333	1,295,706	8,309,429
13. Cost of investments acquired (long-term only):			
13.1 Bonds	191,169	458,836	6,952,215
13.2 Stocks	0	0	0
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	191,169	458,836	6,952,215
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	696,164	836,870	1,357,214
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	2,000,000
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied).....	(34,856)	(850,525)	(5,351,008)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(34,856)	(850,525)	(3,351,008)
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)	3,023,753	65,403	(6,866,341)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	1,964,404	8,830,745	8,830,745
19.2 End of period (Line 18 plus Line 19.1)	4,988,156	8,896,148	1,964,404

NOTES TO FINANCIAL STATEMENTS

Note 1 Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Sunshine State Insurance Company are presented on a basis of accounting practices prescribed or permitted by the Florida Office of Insurance Regulation.

The Florida Office of Insurance Regulation recognizes only statutory accounting practices prescribed by or permitted by the State of Florida for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Florida Insurance Law. The National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Florida.

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

	State of <u>Domicile</u>	<u>2014</u>	<u>2013</u>
<u>NET INCOME</u>			
(1) State Basis	FL	\$(1,516,026)	\$ 626,970
(2) State Prescribed Practices	FL	0	0
(3) State Permitted Practices	FL	<u>0</u>	<u>0</u>
(4) NAIC SAP (1-2-3=4)	FL	<u>\$(1,516,026)</u>	<u>\$ 626,970</u>
<u>SURPLUS</u>			
(5) State Basis	FL	\$ 7,244,187	\$ 8,670,982
(6) State Prescribed Practices	FL	0	0
(7) State Permitted Practices	FL	<u>0</u>	<u>0</u>
(8) NAIC SAP (5-6-7=8)	FL	<u>\$ 7,244,187</u>	<u>\$ 8,670,982</u>

B. Use of Estimates in the Preparation of the Financial Statements.

No Changes

C. Accounting Policy

No Changes

Note 2 Accounting Changes and Corrections of Errors

No Changes

Note 3 Business Combinations and Goodwill

No Changes

Note 4 Discontinued Operations

No Changes

Note 5 Investments

D. Loan-Backed Securities - None

E. Repurchase Agreements and/or Securities Lending Transactions - None

Note 6 Joint Ventures, Partnerships and Limited Liability Companies

No Changes

Note 7 Investment Income

No Changes

Note 8 Derivative Instruments

NOTES TO FINANCIAL STATEMENTS

No Changes

Note 9 Income Taxes

No changes

Note 10 Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties.

No Changes

Note 11 Debt

No Changes

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

No Changes

Note 13 Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

No Changes

Note 14 Contingencies

No Changes

Note 15 Leases

No Changes

Note 16 Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

No Changes

Note 17 Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

B. Transfer and Servicing of Financial Assets - None

C. Wash Sales

The Company did not have wash sales as defined in paragraph 9 of SSAP No. 91R.

Note 18 Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

No Changes

Note 19 Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

No Changes

Note 20 Fair Value Measurements

No Changes

NOTES TO FINANCIAL STATEMENTS

Note 21 Other Items

C. Other Disclosures

Special Disability Trust Fund Disclosure

- a. The amount of credit taken by the Company in the determination of its loss reserves in 2013 and 2014 were \$0 and \$0, respectively.
- b. The amount of payments received by the Company from the Special Disability Trust Fund for 2013 and 2014 were \$0 and \$0, respectively.
- c. The amount the Company was assessed by the Special Disability Trust Fund for 2013 and 2014 were \$0 and \$0, respectively.

Agents' Balances Certification Disclosure

1. Agents' Balances or Uncollected Premiums as reported on Page 2, Line 15.1 were \$912,363
2. Amount of Agents' Balances or Uncollected Premiums from Page 2, Line 15.1 that is due from "controlled" or "controlling" persons were None.
3. Amount reported in #2 above and secured by a : Trust Fund, Letter of Credit and Financial Guaranty Bond as required by Section 625.012, Florida Statutes were None.

Note 22 Events Subsequent

- A. Pursuant to the Consent Order Dated March 11, 2014 and previously reported in this Note to the Company's 2013 Financial Statements, the Company has been diligently pursuing an infusion of capital pursuant to paragraph 6b. As of the filing date of this statement, there are multiple candidates with viable interests towards reaching the required minimum of \$15 million in policyholders surplus if not surpassing same.

Note 23 Reinsurance

No Changes

Note 24 Retrospectively Rated Contracts & Contracts Subject to Redetermination

No Changes

Note 25 Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2013 were \$5,947,786. As of March 31, 2014 \$837,381 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves as of March 31, 2014 remaining for prior years are \$5,186,767 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Homeowners lines of insurance. Therefore, there has been a \$76,363 unfavorable (favorable) prior year development since December 31, 2013 to March 31, 2014. The increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

Note 26 Inter-Company Pooling Arrangements

No Changes

Note 27 Structured Settlements

No Changes

Note 28 Health Care Receivables

No Changes

Note 29 Participating Policies

No Changes

Note 30 Premium Deficiency Reserves

No Changes

Note 31 High Deductibles

No Changes

Note 32 Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

No Changes

NOTES TO FINANCIAL STATEMENTS

Note 33 Asbestos/Environmental Reserves

No Changes

Note 34 Subscriber Savings Accounts

No Changes.

Note 35 Multiple Peril Crop Insurance

No Changes

Note 36 Financial Guaranty Insurance

No Changes

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes No
- 1.2 If yes, has the report been filed with the domiciliary state? Yes No
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes No
- 2.2 If yes, date of change:
- 3.1 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
If Yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes No
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
.....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
- 4.2 If yes, provide the name of 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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes No NA
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2011
- 6.2 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. 12/31/2011
- 6.3 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). 03/12/2013
- 6.4 By what department or departments?
Florida Office of Insurance Regulation.....
- 6.5 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
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?..... Yes No NA
- 7.1 Has this 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
- 7.2 If yes, give full information:
.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?..... Yes No
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?..... Yes No
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), 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 FDIC	6 SEC

GENERAL INTERROGATORIES

- 9.1 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.
- 9.11 If the response to 9.1 is No, please explain:
.....
- 9.2 Has the code of ethics for senior managers been amended?..... Yes [] No [X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
.....
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?..... Yes [] No [X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).
.....

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?..... Yes [X] No []
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]
- 11.2 If yes, give full and complete information relating thereto:
.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$0
13. Amount of real estate and mortgages held in short-term investments: \$0

- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [X] No []
- 14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$0	\$0
14.22 Preferred Stock	\$0	\$0
14.23 Common Stock	\$773,476	\$798,761
14.24 Short-Term Investments	\$0	\$0
14.25 Mortgage Loans on Real Estate	\$0	\$0
14.26 All Other	\$0	\$0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$773,476	\$798,761
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$0	\$0

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No [X]
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No []
If no, attach a description with this statement.

GENERAL INTERROGATORIES

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- | | | |
|---|----------|---|
| 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2..... | \$ | 0 |
| 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2..... | \$ | 0 |
| 16.3 Total payable for securities lending reported on the liability page..... | \$ | 0 |

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?.....
- Yes No

17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
US BANK.....	225 WATER ST 7TH FLOOR, JACKSONVILLE, FL 32202.....

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

Yes No

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

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

17.5 Identify all investment advisors, broker/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	2 Name(s)	3 Address
74268.....	LOGAN CAPITAL MANAGEMENT, INC.....	PHILADELPHIA, PA.....

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

Yes No

18.2 If no, list exceptions:

.....

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

PART 2

PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [] NA [X]

If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting 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 [] No [X]

If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]

3.2 If yes, give full and complete information thereto

.....

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? Yes [] No [X]

4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent 0.0%

5.2 A&H cost containment percent 0.0%

5.3 A&H expense percent excluding cost containment expenses 0.0%

6.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

6.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$.....0

6.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

6.4 If yes, please provide the balance of the funds administered as of the reporting date. \$.....0

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers – Current Year to Date

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
		AFFILIATES				
		U.S INSURERS				
		POOLS AND ASSOCIATIONS				
		ALL OTHER INSURERS				
NONE						

STATEMENT AS OF MARCH 31, 2014 OF THE Sunshine State Insurance Company

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

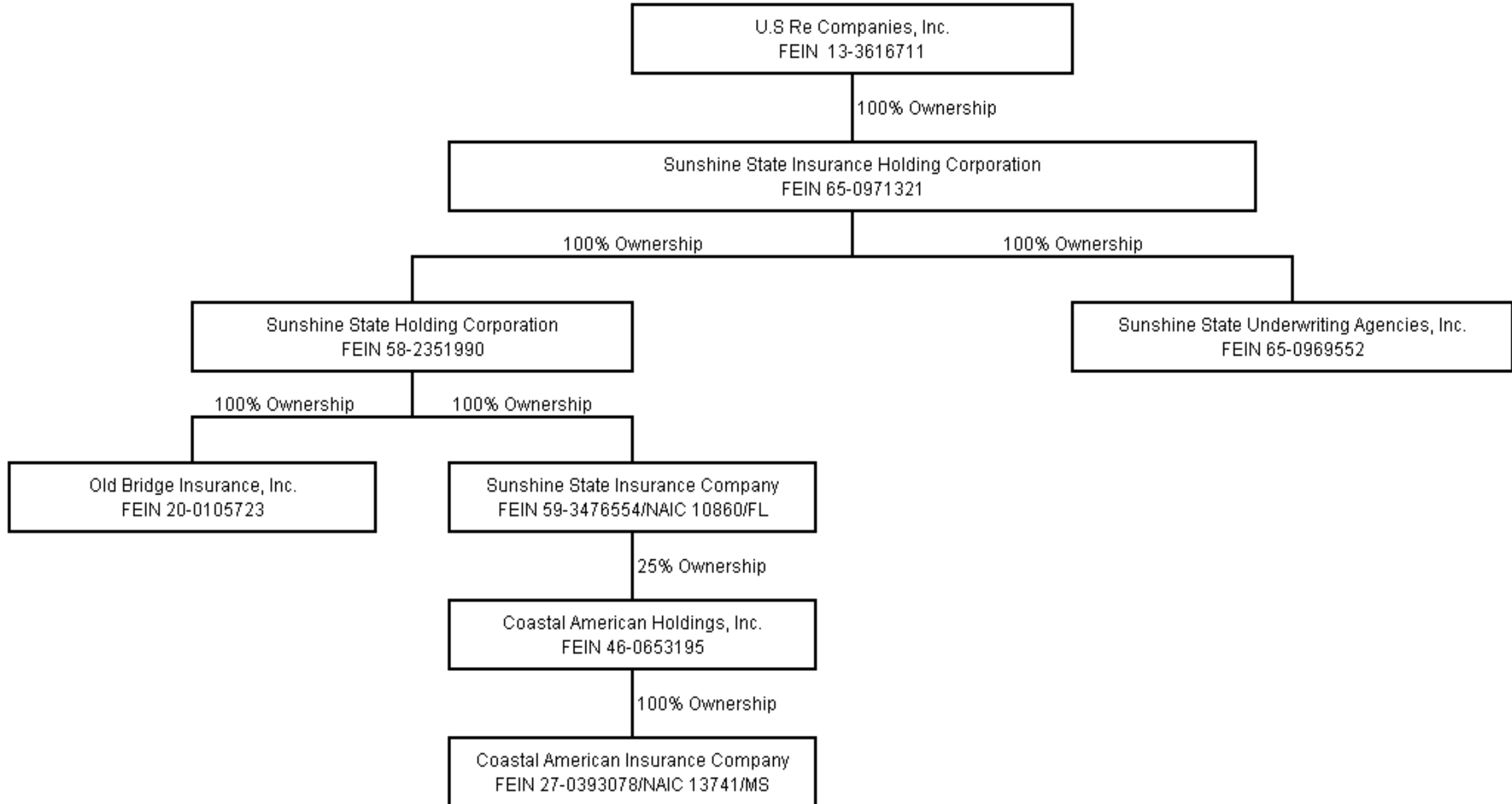
Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date	
1. Alabama	AL	N	0	0	0	0	0	
2. Alaska	AK	N	0	0	0	0	0	
3. Arizona	AZ	N	0	0	0	0	0	
4. Arkansas	AR	N	0	0	0	0	0	
5. California	CA	N	0	0	0	0	0	
6. Colorado	CO	N	0	0	0	0	0	
7. Connecticut	CT	N	0	0	0	0	0	
8. Delaware	DE	N	0	0	0	0	0	
9. Dist. Columbia	DC	N	0	0	0	0	0	
10. Florida	FL	L	16,726,122	19,259,190	3,407,565	3,477,495	9,208,594	11,709,079
11. Georgia	GA	N	0	0	0	0	0	0
12. Hawaii	HI	N	0	0	0	0	0	0
13. Idaho	ID	N	0	0	0	0	0	0
14. Illinois	IL	N	0	0	0	0	0	0
15. Indiana	IN	N	0	0	0	0	0	0
16. Iowa	IA	N	0	0	0	0	0	0
17. Kansas	KS	N	0	0	0	0	0	0
18. Kentucky	KY	N	0	0	0	0	0	0
19. Louisiana	LA	N	0	0	0	0	0	0
20. Maine	ME	N	0	0	0	0	0	0
21. Maryland	MD	N	0	0	0	0	0	0
22. Massachusetts	MA	N	0	0	0	0	0	0
23. Michigan	MI	N	0	0	0	0	0	0
24. Minnesota	MN	N	0	0	0	0	0	0
25. Mississippi	MS	L	54,168	51,722	0	0	0	0
26. Missouri	MO	N	0	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0	0
34. No. Carolina	NC	N	0	0	0	0	0	0
35. No. Dakota	ND	N	0	0	0	0	0	0
36. Ohio	OH	N	0	0	0	0	0	0
37. Oklahoma	OK	N	0	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0	0
39. Pennsylvania	PA	N	0	0	0	0	0	0
40. Rhode Island	RI	N	0	0	0	0	0	0
41. So. Carolina	SC	L	0	0	(38,105)	0	0	0
42. So. Dakota	SD	N	0	0	0	0	0	0
43. Tennessee	TN	N	0	0	0	0	0	0
44. Texas	TX	N	0	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0
47. Virginia	VA	N	0	0	0	0	0	0
48. Washington	WA	N	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0
50. Wisconsin	WI	N	0	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0
57. Canada	CAN	N	0	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0
59. Totals	(a)	3	16,780,290	19,310,912	3,369,460	3,477,495	9,208,594	11,709,079
DETAILS OF WRITE-INS								
58001.	XXX		0	0	0	0	0	0
58002.	XXX		0	0	0	0	0	0
58003.	XXX		0	0	0	0	0	0
58998. Summary of remaining write-ins for Line 58 from overflow page.	XXX		0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX		0	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

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

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART**



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STATEMENT AS OF MARCH 31, 2014 OF THE Sunshine State Insurance Company

PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	1,719,821	380,838	22.1	5.7
2. Allied lines	3,686,077	389,178	10.6	9.2
3. Farmowners multiple peril			0.0	0.0
4. Homeowners multiple peril	12,767,481	2,705,322	21.2	16.7
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	375,676	1,350	0.4	10.9
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability - occurrence			0.0	0.0
11.2 Medical professional liability - claims made			0.0	0.0
12. Earthquake			0.0	0.0
13. Group accident and health			0.0	0.0
14. Credit accident and health			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	66,260	(2,154)	(3.3)	8.4
17.2 Other liability - claims made			0.0	0.0
17.3 Excess Workers' Compensation			0.0	0.0
18.1 Products liability - occurrence			0.0	0.0
18.2 Products liability - claims made			0.0	0.0
19.1,19.2 Private passenger auto liability			0.0	0.0
19.3,19.4 Commercial auto liability			0.0	0.0
21. Auto physical damage			0.0	0.0
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			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	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
35. TOTALS	18,615,314	3,474,535	18.7	14.1
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Sum. 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)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire	0	1,241,551	1,609,204
2. Allied lines	0	3,393,901	3,519,031
3. Farmowners multiple peril	0	0	0
4. Homeowners multiple peril	0	11,760,777	13,797,566
5. Commercial multiple peril	0	0	0
6. Mortgage guaranty	0	0	0
8. Ocean marine	0	0	0
9. Inland marine	0	316,579	303,785
10. Financial guaranty	0	0	0
11.1 Medical professional liability - occurrence	0	0	0
11.2 Medical professional liability - claims made	0	0	0
12. Earthquake	0	0	0
13. Group accident and health	0	0	0
14. Credit accident and health	0	0	0
15. Other accident and health	0	0	0
16. Workers' compensation	0	0	0
17.1 Other liability-occurrence	0	67,482	81,326
17.2 Other liability - claims made	0	0	0
17.3 Excess Workers' Compensation	0	0	0
18.1 Products liability - occurrence	0	0	0
18.2 Products liability - claims made	0	0	0
19.1,19.2 Private passenger auto liability	0	0	0
19.3,19.4 Commercial auto liability	0	0	0
21. Auto physical damage	0	0	0
22. Aircraft (all perils)	0	0	0
23. Fidelity	0	0	0
24. Surety	0	0	0
26. Burglary and theft	0	0	0
27. Boiler and machinery	0	0	0
28. Credit	0	0	0
29. International	0	0	0
30. Warranty	0	0	0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0
35. TOTALS	0	16,780,290	19,310,912
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

STATEMENT AS OF MARCH 31, 2014 OF THE Sunshine State Insurance Company

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2014 Loss and LAE Payments on Claims Reported as of Prior Year-End	2014 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2014 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2011 + Prior	3,614	.640	4,254	349	157	.507	3,751	.0	309	4,060	.486	(173)	.313
2. 2012	.387	.185	.572	.188	.0	.188	.320	.0	.132	.452	.122	(.53)	.68
3. Subtotals 2012 + prior	4,001	.825	4,826	538	157	.695	4,071	.0	441	4,512	.608	(226)	.381
4. 2013	.512	.610	1,122	142	.0	.142	.263	.0	.412	.674	(.107)	(.198)	(.305)
5. Subtotals 2013 + prior	4,513	1,435	5,948	680	157	.837	4,334	.0	853	5,187	.501	(425)	.76
6. 2014	XXX	XXX	XXX	XXX	.503	.503	XXX	.234	.337	.571	XXX	XXX	XXX
7. Totals	4,513	1,435	5,948	680	661	1,341	4,334	234	1,189	5,758	501	(425)	76
8. Prior Year-End Surplus As Regards Policy-holders	8,671										Col. 11, Line 7 As % of Col. 1 Line 7	Col. 12, Line 7 As % of Col. 2 Line 7	Col. 13, Line 7 As % of Col. 3 Line 7
											1. 11.1	2. (29.6)	3. 1.3
													Col. 13, Line 7 As a % of Col. 1 Line 8
													4. 0.9

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES





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 on "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.

	<u>RESPONSE</u>
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?NO.....
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?NO.....
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?NO.....
4. Will the Director and Officer Supplement be filed with the state of domicile and the NAIC with this statement?NO.....

Explanation:

- 1.
- 2.
- 3.
- 4.

Bar Code:

1.	 1 0 8 6 0 2 0 1 4 4 9 0 0 0 0 0 1
2.	 1 0 8 6 0 2 0 1 4 4 5 5 0 0 0 0 1
3.	 1 0 8 6 0 2 0 1 4 3 6 5 0 0 0 0 1
4.	 1 0 8 6 0 2 0 1 4 5 0 5 0 0 0 0 1

OVERFLOW PAGE FOR WRITE-INS

PQ003 Additional Aggregate Lines for Page 03 Line 25.

*LIAB

	1 Current Statement Date	2 December 31, Prior Year
2504. Other Liabilities.....	4,900	675
2597. Summary of remaining write-ins for Line 25 from Page 03	4,900	675

PQ004 Additional Aggregate Lines for Page 04 Line 14.

*STMTINCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1404. Interest Income.....		0	36
1497. Summary of remaining write-ins for Line 14 from Page 04	0	0	36

SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
NONE		
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	0
2.2 Additional investment made after acquisition	0	0
3. Current year change in encumbrances	0	0
4. Total gain (loss) on disposals	0	0
5. Deduct amounts received on disposals	0	0
6. Total foreign exchange change in book/adjusted carrying value	0	0
7. Deduct current year's other than temporary impairment recognized	0	0
8. Deduct current year's depreciation	0	0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
NONE		
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	0
2.2 Additional investment made after acquisition	0	0
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	0	0
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	0	0
8. Deduct amortization of premium and mortgage interest points and commitment fees	0	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest	0	0
10. Deduct current year's other than temporary impairment recognized	0	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	0
12. Total valuation allowance	0	0
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
NONE		
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	0
2.2 Additional investment made after acquisition	0	0
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	0	0
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	0	0
8. Deduct amortization of premium and depreciation	0	0
9. Total foreign exchange change in book/adjusted carrying value	0	0
10. Deduct current year's other than temporary impairment recognized	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	8,965,737	10,309,615
2. Cost of bonds and stocks acquired	191,169	6,952,215
3. Accrual of discount	1,807	9,217
4. Unrealized valuation increase (decrease)	(25,285)	45,817
5. Total gain (loss) on disposals	1,297	79,830
6. Deduct consideration for bonds and stocks disposed of	887,333	8,309,429
7. Deduct amortization of premium	30,105	121,527
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	8,217,288	8,965,737
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	8,217,288	8,965,737

STATEMENT AS OF MARCH 31, 2014 OF THE Sunshine State Insurance Company

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	8,808,126	676,593	1,357,477	(28,297)	8,098,945	0	0	8,808,126
2. NAIC 2 (a).....	0				0	0	0	0
3. NAIC 3 (a).....	0				0	0	0	0
4. NAIC 4 (a).....	0				0	0	0	0
5. NAIC 5 (a).....	0				0	0	0	0
6. NAIC 6 (a).....	0				0	0	0	0
7. Total Bonds	8,808,126	676,593	1,357,477	(28,297)	8,098,945	0	0	8,808,126
PREFERRED STOCK								
8. NAIC 1.....	0				0	0	0	0
9. NAIC 2.....	0				0	0	0	0
10. NAIC 3.....	0				0	0	0	0
11. NAIC 4.....	0				0	0	0	0
12. NAIC 5.....	0				0	0	0	0
13. NAIC 6.....	0				0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	8,808,126	676,593	1,357,477	(28,297)	8,098,945	0	0	8,808,126

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....655,133 ; NAIC 2 \$.....; NAIC 3 \$.....; NAIC 4 \$.....; NAIC 5 \$.....; NAIC 6 \$.....

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SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	655,133	XXX	655,133	1	

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	641,150	218,848
2. Cost of short-term investments acquired	485,424	4,626,451
3. Accrual of discount.....		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals.....		0
6. Deduct consideration received on disposals.....	471,441	4,197,751
7. Deduct amortization of premium.....		6,398
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).....	655,133	641,150
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	655,133	641,150

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B- Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

Schedule E Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

STATEMENT AS OF MARCH 31, 2014 OF THE Sunshine State Insurance Company

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator ^(a)
173067-EE-5	CITIGROUP COML MTG 2004-C2		01/23/2014	MORGAN STANLEY & CO., INC.		70,013	68,978	245	1FM
55313K-AD-3	ML-CFG COML MTG TR 2007-7		01/28/2014	MORGAN STANLEY & CO., INC.		121,157	120,022	574	1FM
3899999 - Total	- Bonds - Industrial, Misc.					191,169	189,000	819	XXX
8399997 - Total	- Bonds - Part 3					191,169	189,000	819	XXX
8399999 - Total	- Bonds					191,169	189,000	819	XXX
8999999 - Total	- Preferred Stocks					0	XXX	0	XXX
9799999 - Total	- Common Stocks					0	XXX	0	XXX
9899999 - Total	- Preferred and Common Stocks					0	XXX	0	XXX
9999999 Totals						191,169	XXX	819	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

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STATEMENT AS OF MARCH 31, 2014 OF THE Sunshine State Insurance Company

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)	
912828-PG-7	UNITED STATES TREAS NTS		01/15/2014	MATURITY		200,000	200,000	199,944	199,999						200,000							
0599999	Bonds - U.S. Governments					200,000	200,000	199,944	199,999	0	1	0	1	0	200,000	0	0	0	1,000	XXX	XXX	
313463-MD-9	FEDERAL HOME LN MTG CORP. FNMA PASS-THRU BLLN MULTI 7+		02/14/2014	CALLED @ 100.0000000		200,000	200,000	198,663	198,663		.40		.40		198,703		1,297	1,297	1,500	11/14/2017	1	
31377P-TA-2	FNMA PASS-THRU MEGA MULTI 7		03/25/2014	PRINCIPAL RECEIPT		1,155	1,155	1,321	1,297		(142)		(142)		1,155				13	02/01/2019	1	
31402R-L2-3	FNMA PASS-THRU MEGA MULTI 7		03/25/2014	PRINCIPAL RECEIPT		22,751	22,751	24,988	23,764		(1,014)		(1,014)		22,751				106	01/01/2017	1	
31403D-V5-5	FNMA PASS-THRU MEGA MULTI 7		03/25/2014	PRINCIPAL RECEIPT		.816	.816	.911	.907		(91)		(91)		.816				.9	08/01/2016	1	
422341-BP-1	HEARTLAND CONSUMERS PWR DIST S		01/01/2014	Sink PMT @ 100.0000000		40,000	40,000	45,720	42,333		(2,333)		(2,333)		40,000				1,400	01/01/2016	1	
3199999	Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of...					264,722	264,722	271,503	266,964	0	(3,539)	0	(3,539)	0	263,424	0	1,297	1,297	3,028	XXX	XXX	
173067-EE-5	CITIGROUP COML MTG 2004-C2 HARLEY-DAVIDSON MTR TR 2012-1		03/15/2014	PRINCIPAL RECEIPT		3,193	3,193	3,241			(48)		(48)		3,193				.24	10/15/2041	1FM	
41283T-AC-2	HSBC FINANCE CORP NT FLOAT 14		03/15/2014	PRINCIPAL RECEIPT		29,267	29,267	29,271	29,270		(3)		(3)		29,267				.38	04/15/2017	1FE	
40429C-FV-9	JP MORGAN COM MTG 2004-C1BC8		01/15/2014	MATURITY		100,000	100,000	98,680	99,979		.21		.21		100,000				.126	01/15/2014	1FE	
46625M-ZB-4	JP MORGAN COM MTG 2005-LDP5		03/12/2014	PRINCIPAL RECEIPT		54,343	54,343	55,481	54,651		(308)		(308)		54,343				.356	01/12/2039	1FM	
46625Y-XN-8	ML-CFC COML MTG TR 2007-7		03/15/2014	PRINCIPAL RECEIPT		63,572	63,572	65,712	64,773		(1,202)		(1,202)		63,572				.414	12/15/2044	1FM	
55313K-AD-3	MORGAN STANLEY CAP 2006-7		03/12/2014	PRINCIPAL RECEIPT		6,134	6,134	6,192			(58)		(58)		6,134				.47	06/12/2050	1FM	
61749M-AU-3	TOP23		03/12/2014	PRINCIPAL RECEIPT		13,719	13,719	14,429	14,158		(439)		(439)		13,719				.138	08/12/2041	1FM	
649083-AA-0	NEW VALLEY GEN I 2000-1		03/15/2014	PRINCIPAL RECEIPT		37,100	37,100	42,882	42,137		(5,036)		(5,036)		37,100				1,354	03/15/2019	1FE	
929766-OV-8	WACHOVIA CMBS 2004-C11		03/15/2014	PRINCIPAL RECEIPT		115,283	115,283	117,537	117,198		(1,915)		(1,915)		115,283				1,017	01/17/2041	1FE	
3899999	Total - Bonds - Industrial and Miscellaneous					422,612	422,612	433,425	422,165	0	(8,987)	0	(8,987)	0	422,612	0	0	0	3,514	XXX	XXX	
8399997	Bonds - Part 4					887,333	887,333	904,871	889,129	0	(12,525)	0	(12,525)	0	886,036	0	1,297	1,297	7,542	XXX	XXX	
8399999	Total - Bonds					887,333	887,333	904,871	889,129	0	(12,525)	0	(12,525)	0	886,036	0	1,297	1,297	7,542	XXX	XXX	
8999999	Total - Preferred Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799999	Total - Common Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9899999	Total - Preferred and Common Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9999999	Totals					887,333	XXX	904,871	889,129	0	(12,525)	0	(12,525)	0	886,036	0	1,297	1,297	7,542	XXX	XXX	

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

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Schedule DB - Part A - Section 1

NONE

Sch. DB - Pt. A - Sn. 1 - Footnotes

NONE

Schedule DB - Part B - Section 1

NONE

Sch. DB - Pt. B - Sn. 1 - Footnotes

NONE

Schedule DB - Part D Section 1

NONE

Schedule DB - Part D Section 2

NONE

Schedule DB - Part D Section 2 [Cont.]

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

Schedule E - Part 2 - Cash Equivalents

NONE