

INTERNATIONAL FIDELITY INSURANCE COMPANY
 ONE NEWARK CENTER, 20TH FLOOR, NEWARK, NEW JERSEY 07102-5207

STATEMENT OF ASSETS, LIABILITIES, SURPLUS AND OTHER FUNDS

AT JUNE 30, 2008

ASSETS

Bonds (Amortized Value)	\$94,455,239
Common Stocks (Market Value)	16,240,186
Mortgage Loans on Real Estate	541,000
Cash & Bank Deposits	52,348,198
Short Term Investments	1,143,363
Unpaid Premiums & Assumed Balances	10,282,083
Reinsurance Recoverable from Reinsurers	465,823
Electronic Data Processing Equipment	164,252
Investment Income Due and Accrued	1,254,303
Net Deferred Tax Assets	3,500,000
Other Assets	<u>2,536,796</u>
 TOTAL ASSETS	 <u>\$182,931,243.</u>

LIABILITIES, SURPLUS & OTHER FUNDS

Losses (Reported Losses Net as to Reinsurance Ceded and Incurred But Not Reported Losses)	\$16,250,571
Loss Adjustment Expenses	4,217,397
Contingent Commissions & Other Similar Charges	(752,735)
Other Expenses (Excluding Taxes, Licenses and Fees)	3,158,702
Taxes, Licenses & Fees (Excluding Federal Income Tax)	394,346
Current Federal & Foreign Income Taxes	0
Unearned Premiums	34,627,077
Ceded Reinsurance Premiums Payable	3,658,777
Funds Held by Company under Reinsurance Treaties	5,068
Amounts Withheld by Company for Account of Others	32,151,763
Provisions for Reinsurance	4,350
Other Liabilities	<u>6,333</u>
TOTAL LIABILITIES	<u>\$93,721,649</u>
 Common Capital Stock	 \$1,500,000
Gross Paid-in & Contributed Surplus	374,600
Surplus Note	16,000,000
Unassigned Funds (Surplus)	<u>71,334,994</u>
Surplus as Regards Policyholders	<u>\$89,209,594</u>
TOTAL LIABILITIES, SURPLUS & OTHER FUNDS ...	<u>\$182,931,243</u>

I, Francis L. Mitterhoff, President of INTERNATIONAL FIDELITY INSURANCE COMPANY, certify that the foregoing is a fair statement of Assets, Liabilities, Surplus and Other Funds of this Company, at the close of business, June 30, 2008, as reflected by its books and records and as reported in its statement on file with the Insurance Department of the State of New Jersey.



IN TESTIMONY WHEREOF, I have set my hand and affixed the seal of the Company, this 11th day of August, 2008.

INTERNATIONAL FIDELITY INSURANCE COMPANY